GENERAL DISCUSSION ON THE BUDGET—(*contd.*)

MR. G. RAMAN MENON (*Mavelikara* cum *Kartikapalli*): I beg to raise a point of order. Rule 48 of the Legislative Council Rules runs as follows:—

"On a day to be appointed by the Dewan subsequent to the day on which the budget is presented, and for such time as the Dewan may allot for the purpose, the Council shall be at liberty to discuss the budget as a whole or any question of principle involved therein; but no motion shall be moved at this stage nor shall any member be entitled to divide the Council in respect of any such discussion on the budget."

I wish to have a ruling from the Chair whether, under this rule, the members are not at liberty to refer to and deal with, of course, within proper limits, any principle relating to financial and other administration of the State such as the redress of grievances of the people before supplies and details for exemplifying the breaches or otherwise of the principle.

MR. KAYYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): I think, Sir, that such matters can be introduced in the speeches during the budget discussion provided it can be shown that such matters have some bearing on the money provisions.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): May I know from the Law Member whether the Interportal Trade Convention can be referred to during the general discussion on the budget?

MR. KAYYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Strictly speaking, it cannot be, because it is a matter removed from the purview of the Legislative Council.

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): Sir, so far as Mr. Raman Menon's query is concerned—

MR. M. SIVATANU PILLAI (*Tovala*): May I know from the Chair whether the member is in order in discussing a point which has been submitted to the Chair for ruling?

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): I am not discussing the point of order raised; I am referring to another matter. If Mr. Sivatanu Pillai objects, I do not want to speak.

MR. G. RAMAN MENON (*Mavelikara* cum *Kartikapalli*): I hope that all the members have a right to speak upon the point of order raised.

MR. KAYYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): So long as the President does not stop him, every member has a right to submit his views to the President for consideration. The responsibility for the ruling lies with the President, and I daresay he will be glad to be aided by the opinions of the members in coming to his conclusions.

MR. G. PARAMESVARAN PILLAI (*Neyyttinkara*): Can I speak on the point of order raised?

PRESIDENT: I should like to have an expression of opinion of the members on this point.

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MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): Sir, it is no doubt true that so far as a discussion of the budget proposals or the budget as a whole is concerned, in Travancore and in British India, there are certain statutory enactments regulating the same. The question at present is primarily one of interpretation of such statutory enactments. I hope it will be agreed to by the President of this Council as well as by members of Government that in regard to the interpretation of the statute a too rigid construction of the words in the enactment will be certainly out of place and absolutely inexpedient when we consider the spirit in which such enactments have been graciously promulgated by the Sovereign. Then the question is as to how such matters should be dealt with, how to avoid a strict and too rigid interpretation of the sections. I suppose the legislature will have to be guided by the precedents and the practice obtaining here and elsewhere, by what is known as constitutional forms and precedents which have as much weight attached to them as the express provisions in the statute itself. Looking at them there will be absolutely no difficulty to see that in the general discussion on the budget, which is perhaps a matter not prevalent in the House of Commons—the procedure there seems to be different—we have to be guided by what obtains in the Indian Legislatures as well as here in the past. Looking at these, we find that by the term 'discussion of the budget as a whole or any question of principle involved therein' is not meant that the discussion should necessarily be confined to ideas which could be reduced to rupees, annas, pies, but may proceed on broad principles of administration such as questions relating to the general administration, involving of course a budget provision. The fact is, Sir, that when the term 'budget as a whole' is mentioned we cannot divide the budget into watertight compartments. What is meant by 'budget as a whole', I conceive to be the entire administrative machinery, that machinery for which the budget is contemplated and for the running of which the budget is prepared by the Government. When that budget as a whole is presented for a general discussion, it does not require much argument to convince anybody that a general discussion of the administrative policy in general will be a legitimate, a very legitimate function, of the Council, before which such a budget is placed. Sir, it is true, as my friend Mr. Kayyalam Paramesvaran Pillai put it, that it should have some connection with money. I suppose that when we deal with administrative problems or policies, these can have reference only to the machinery of Government for which money provision is made in the budget and if we were to carry the interpretation which the Law Member seeks to put upon the rule too far, I would submit with due respect, Sir, it becomes an absurdity. After the general discussion, the statute provides for a detailed voting of demands for grants. When we go into the voting of demands for grants, then it is that the relevancy will be confined to the money considerations alone except in the case of token motions. But when we are at the general discussion on the budget as a whole, I am of opinion that the general policy of the administration may well be commented upon by the Council.

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MR. K. I. JOSEPH (*Minachil cum Devicolam*): Will Mr. G. Paramesvaran Pillai say—

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): I wish I had finished before any question is put to me. Sir, if you refer to the practice obtaining in this very Council, it will be found that the interpretation which the Law Member has now given cannot have any support. On the floor of this House, we have discussed, during the general discussion stage, problems of unemployment, recruitment to the public service and the Vaikam *Satyagraha* movement, and its ethics. Discussion was allowed to be continued on these subjects. Then again, Sir, I woud like to say that this point of order arose from a reference by one of my friends on this side of the House yesterday to the Newspapers Regulation. My only point is this. The very question regarding the censorship of the press and the necessity for a press law was raised in this very House *during the general discussion on the budget* by one of the non-official members of this House and the question seems to have engaged the attention of the President even on that occasion. Nevertheless, the President allowed the member to proceed with that subject. I am referring to page 184 of Vol. V of the Legislative Council Proceedings for 1924. So then the precedents of this House allow such discussion.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*): May I ask the member whether the Newspapers Regulation is not a taxing Regulation?

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): That is not in issue now. The point of order raised was not with particular reference to the propriety of discussing the Newspapers Regulation. The point of order raised by Mr. Raman Menon was, I think, on a subject of general application. A decision on this subject contrary to the precedents of this House will be a violation of the privileges of this House. It is that and that alone which induced me to speak on this occasion.

I referred to the precedents in this House. Questions of such general interest have been raised in this House although they may not have any connection with the money points raised. They have been allowed to be discussed. They were matters of policy which the Government were interested in seeing discussed in the legislature. It is only common knowledge that questions of policy affecting the State are discussed in the Indian legislatures. I need not quote specific instances in regard to that matter.

Further, I would submit that in a country like ours, where we have a constitution of this nature, where the Government members are not responsible to the legislature, it is all the more expedient that the Government do know what the non-official members have to say in regard to the general administration which cannot be duly considered when the demands for grants are before the House. The demands for grants are regulated by rules which prescribe a time-limit of ten minutes for the mover of a cut motion and five minutes for every other member

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who speaks upon it. It is a business-like discussion. But the general discussion is not intended for a similar procedure being adopted, but to enable the Government as it is now constituted to ascertain the views of the people in regard to general questions of administrative policy. I would therefore humbly submit that the point of order raised by Mr. Raman Menon is one which affects very deeply the precedents of this House and the decision will have far-reaching consequences not only so far as this Council is concerned, but the sister Councils elsewhere as well. I would therefore humbly submit that a decision must be arrived at in favour of securing the privileges of the House.

MR. K. I. JOSEPH (*Minachil cum Devicolam*): May I ask him a question? Does he mean by administrative policy that every detail may be discussed here?

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): Of course, there is the time limit of 20 minutes. I suppose within that time any intelligent speaker will only dwell on the general aspect of the matter. But if one chooses to deal with only one subject I think he may do so in detail.

MR. KAYYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Suppose a member refers to a subject that has no bearing at all on the money provisions in the budget, can he speak on that?

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): That has to be decided on the merits of each case.

MR. KAYYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): If he admits that there is no connection between the money provisions and the subject he is referring to, or if it is not even alleged that there is any such connection, can he talk on the subject during the general discussion?

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): If the member is challenged and the member admits that there is no ultimate connection between the two, then he cannot talk on the subject.

MR. KAYYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Then, does not the member recognise that what I said and what he said come to the same thing?

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): There is considerable difference, a vast ocean of difference between what I said and what he sought to establish.

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): Seeing that Mr. G. Paramesvaran Pillai has spoken on the subject, I wish to say a few words on the point of order raised. The function that we are now discharging, namely, the general consideration on the budget is not strictly speaking a function of the Legislative Council. But under a statutory provision, the Government have been pleased to lay the budget before the Legislative Council for its sanction. If it has been placed before the Popular Assembly, there also the same discussion may arise. The question for consideration therefore is whether in a general

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[Mr V. Subba Aiyar.]

discussion on the budget the members of the House are entitled to discuss matters of general policy. I am at one with Mr. Paramesvaran Pillai in thinking that matters of policy may be discussed. This is what the rule says :

"On a day to be appointed by the Dewan subsequent to the day on which the budget is presented, and for such time as the Dewan may allot for the purpose, the Council shall be at liberty to discuss the budget as a whole or any question of principle involved therein."

That certainly includes questions of policy also. Therefore general questions of administrative policy may be referred to. We are here concerned with the budget of the general administration and administrative policies can be discussed. All questions of administrative policies will arise in a general discussion. I may illustrate my view. This Council, for instance, has absolutely no right whatsoever to say how an appropriation of money may be made when a demand is brought forward. The Council has no right to say that a particular allotment should be enhanced or that a particular source of revenue should be tapped or should not be tapped. All these can be suggested and properly suggested only during the general discussion stage. If any item has been omitted in the budget, we may suggest that an allotment may be made for the purpose. I do not know whether the President has ruled to the extent that unless it refers to rupees, annas, pies, we are not allowed to discuss the budget in a general way. Every provision in the budget must involve a policy which the Government have in view. Such questions of policy will have to be discussed and I agree with Mr. G. Paramesvaran Pillai in thinking that all questions of administrative policy may be discussed at the time of the general discussion.

PRESIDENT : Mr. Kayyalam Paramesvaran Pillai, will you please read out for the information of the learned Deputy President the proceedings that took place yesterday on the subject—the relevant portions of it ?

MR. KAYYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) :

"MR. P. K. NARAYANA PILLAI (*Ambalapuzha*) : The fact that this Council was not consulted in the matter of enacting this particular Regulation is also another aspect of the question. I would also point out that Government, having admitted two motions to discuss this matter on particular items, cannot object to the discussion of this matter in the general discussion of the budget.

PRESIDENT : The general discussion of the budget in my view is a business-like enunciation of views specifically relating to the principles involved in the budget as a whole. In this case, I quite see what the member has in his mind. But at the same time, to discuss a question of high polity and abstract right and so on in juxtaposition with so many thousands of rupees allotted to this purpose or that is really a far-fetched and strained view of the rights of discussion on the budget.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*) : It is for the redress of grievances that this subject is brought up.

MR. KAYYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : In that case, I would draw attention to Rule 48 of the Legislative Council Rules which reads thus :—

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'The Council shall be at liberty to discuss the budget as a whole or any question of principle involved therein but no motion shall be moved at this stage nor shall any member be entitled to divide the Council in respect of any such discussion on the budget'.

So, the question is, does the grievance come within that?

PRESIDENT : It does not.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*) : Is it the ruling from the Chair that this matter is irrelevant to the discussion of the budget ?

PRESIDENT : My ruling is that it is not in direct relation to the purpose of the budget discussion. Therefore I rule it out of order.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*) : Thank you, Sir.

PRESIDENT : At great pains I tried to explain to you how anxious I was to give you and the other members of the Council an opportunity for discussing the topic you are now attempting to dwell upon. It is not that I want to stifle discussion. It is a question of the application of the rules.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*) : Therefore, I take it that I am ruled out of order when I referred to the Newspapers Regulation in the general discussion.

PRESIDENT : I say that under the rule just quoted by the Law Member this discussion is not appropriate to the money provisions raised in the budget.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*) : So I think I am not allowed to discuss the matter now ?

PRESIDENT : No. Not so long as you do not show any connection with the money provision of the budget which is really what we are dealing with now.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*) : Am I at liberty to continue my speech, Sir ?

PRESIDENT: This matter as put by the member is not relevant to the budget discussion.

MR P. K. NARAYANA PILLAI (*Ambalapuzha*) : If this is the ruling with reference to the Newspapers Regulation—

PRESIDENT : May I draw the member's attention to the rule which says that the President's ruling is not subject to discussion ?

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*) : I am not discussing it. If this is the ruling from the Chair, I simply resume my seat".

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): I take it to mean that what the President said was that the particular subject was irrelevant to the general discussion unless the question relates to a money matter. I believe that is what is intended by administrative policy, because, otherwise, it will be refusing to the Council the right which they have been exercising, namely, a discussion on the general policy of administration.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*): May I know from the Deputy President whether questions having no direct bearing on the budget could be brought under discussion of the budget ?

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*) : May not be.

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): May I point out to the Deputy President that, so far as the matter referred to by the Law Member is concerned, namely, the discussion of yesterday's, whatever policy was enunciated or sought to be discussed, that has to be carried out by the machinery of Government for which a budget provision has been made ? Is it not open to this House, Sir, to discuss a matter of policy ?

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MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*) : I make a distinction between administrative policy and legislative policy. The repeal of a legislation is not a branch of the administrative policy and therefore has no bearing whatsoever.

PRESIDENT : I should like to hear what you have to say, Mr. V. S. Subrahmanya Aiyar.

MR. V. S. SUBRAHMANYA AIYAR (*Head Sirkar Vakil*) : Sir, I confess that I have very little acquaintance with the practice obtaining in this House during budget discussion.

MR. C. P. KOCHUKUNJU PILLAI (*Kottarakara* cum *Kunnattur*) : Louder, please.

MR. V. S. SUBRAHMANYA AIYAR (*Head Sirkar Vakil*) : As, however, the proceedings of this House, when it is discussing the budget, are governed by rules that have been laid down under the Legislative Council Regulation, it is possible for one who has had no experience of budget discussion in this Council before to see whether the points that have been urged can be brought within the rules relating to it or not. That Rule has been read out to this House and this is what it says :

"After such explanation, the Council shall be at liberty to discuss the budget as a whole or any question of principle involved therein."

That is a privilege which has been conferred by this rule which the members may not be able to exercise when they are discussing particular grants in the budget. As the learned Deputy President has pointed out, the Council has, in voting on demands, no right to recommend or to move for the enhancement of any amount granted for any particular item. But when they are discussing the budget as a whole the members of the Council might suggest how there may be a re-allotment of the amounts under the various heads of expenditure or even to suggest that new sources of revenue might be tapped or other sources of revenue should not be availed of. All these are matters which can be discussed when the budget is being generally discussed. But they will be out of order when particular items of grant are being discussed. The rule therefore gives members a right which they cannot exercise at other stages of the discussion, and this extended privilege has its own restrictions. So far as I can see, the rule says that it must be a discussion of the budget which must have a relation to it as a whole or any principle involved in the budget. The principle involved in the budget would mean not merely an allotment of any particular amount for a particular item, but also the policy in regard to the general appropriation of revenues or the general policy of Government in tapping the various sources of revenue. These would be principles involved in the budget. If there is any matter which cannot be brought within the budget in any of these aspects, then it seems to me that the discussion of that subject would be irrelevant. Whether any particular matter can be brought or not within the purview of the budget has to be decided with regard to each particular matter. There may be in practice very few matters which cannot be brought into relation to the budget in one way or the other.

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MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): May I know from the member what he has to say on the precedents of this House in regard to the budget discussion ?

MR. V. S. SUBRAHMANYA AIYAR (*Head Sirkar Vakil*): So far as I can see, there does not seem to have been any ruling upon this matter before. The instances referred to by my friend Mr. Paramesvaran Pillai are instances where the discussion proceeded without anybody taking any objection or raising any point of order. If there had been a case where a point of order had been raised and a definite ruling obtained, that would be a precedent. The mere fact that no objection was raised before, it seems to me, cannot be treated as a precedent.

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): May I point out to the member that the House has to respect the conventions that have already been set up ?

MR. V. S. SUBRAHMANYA AIYAR (*Head Sirkar Vakil*): Certainly, I have nothing to say against that. When I said that there was no precedent, what I meant was that there was no definite ruling and that the matter was not considered. What I would submit is that when Mr. Paramesvaran Pillai says that there is a precedent, I say that there was no ruling and therefore no precedent. The matter was not considered and ruling given. He did not refer to any such definite ruling. My own view is that, if any matter that is brought up cannot be brought into relation with the budget in any way, then such a matter must be considered irrelevant. As I said there will be very few matters which cannot be brought within the ambit of the budget. If there is any such matter, it will be irrelevant,

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*): Is it irrelevant to make comments on the working or point out the defects in the working of any particular department ?

MR. V. S. SUBRAHMANYA AIYAR (*Head Sirkar Vakil*): That is a matter of administration of a particular department which comes within the budget. As I said, there are very few matters which cannot be brought within the limits of the budget. If it can be shown to have any relation with the budget, then, it seems to me it comes within the ambit of the budget.

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): May I know whether any matter relating to the administration of the country cannot be discussed in view of the fact that, for the administration of the country, the budget is provided ?

MR. V. S. SUBRAHMANYA AIYAR (*Head Sirkar Vakil*): I cannot now say what subjects cannot be brought into relation with the budget. It will depend upon each matter that is brought up.

MR. M. SIVATANU PILLAI (*Tovala*): Sir, I propose to say a few words on the point of order raised. To me, this question appears to be incredibly simple. Here the rule quoted at any rate admits of certain doubts as to its interpretation. Instances are not wanting in the new Legislative Council when the President himself has ruled that in the

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[Mr. M. Sivatanu Pillai.]

interests of noble act, of noble character, even if there are express statutory prohibitions to discuss a subject, the house has got to be guided by the noble sentiment underlying such subject and not by the narrow interpretation as is apparent on the face of such a provision. Here, unlike those instances, the particular rule leaves only in doubt whether the broad question of policy which affects vitally the elementary right of a citizen can be discussed in the course of the general discussion on the budget. So it is all the more reasonable to rule in favour of a progressive convention as seen in the point raised.

Now, this Council consists of a majority who are the representatives of the people, and when the budget is presented they are invited to give their opinion with reference to the administration of each departmental machinery. The first implication is that the general discussion presupposes a correct mentality on the part of these representatives to view the question in its proper perspective. Even to me, under the shadow of a domestic calamity, the question for ruling is not blurred in my vision. In order to view the budget in its proper perspective one should be in his proper mood. As my friend said, there is a grievance of the people and the representatives are also grieved by a particular act of the administrative authority and, as such, they are not in a proper mood to do it unless the grievances are redressed. With the help of the precedents of this House quoted and also on a simple understanding of the elementary principle just referred to, I appeal to you, Sir, to uphold the rights of the House in ruling in favour of the point of order raised.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*): I also think that this is not after all a matter of any great difficulty for solution. The rule is very clear. According to the rule anything involving any principle relating to the budget can be dealt with in the general discussion. Principles regarding elementary rights of the people and other wide questions of policy, I submit, are proper subjects for discussion if they could be brought under any of the items in the budget. But if these principles of elementary rights or questions of policy, have no direct bearing on the budget, I think they are not quite relevant. Whether any particular matter comes under the budget or not is only a matter of construction. If anything comes under either revenue or expenditure, then surely, it is a matter on which the members have a right to discuss at the general discussion. If it merely involves a theoretical issue which has no direct bearing on the revenue or expenditure, then that subject should not be brought in. As regards the working of the several departments, defects can be clearly pointed out at the general discussion. But at the same time, it may not be quite relevant to go into minute details except by way of illustration. Illustrations of general policy can be brought in under general discussion if they have a direct bearing with either revenue or expenditure.

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PRESIDENT: The subject-matter of the discussion which preceded my rising up just now is one of considerable importance and of much interest as well. It all arose out of the ruling I pronounced yesterday with regard to Mr. P. K. Narayana Pillai's speech. His speech was based on the relevancy of the discussion of a subject of high politics to a matter pertaining directly to the money aspect of the budget. You will have noticed that, in the course of my ruling yesterday, I repeatedly laid stress upon the money aspect of the question. I also pointed out the appropriate place for a discussion such as Mr. Narayana Pillai initiated. It is not necessary for me to explain to you that the rules and practice regarding the general discussion on the budget and the discussion on particular motions for grants are all intended to secure a methodical working of this Council; it is not a case of water-tight compartments as Mr. G. Parameswaran Pillai said, but it is a question of orderliness and method in debate. We take up larger issues during the general discussion and reserve the details for motions on particular grants. Furthermore, on the general side of the question, to ensure that there is no discursiveness or unrelated talk, we require, as Mr. Subba Aiyar has explained, that the subject matter of the discussion should bear some relation to the money provisions in the budget. It is purely a matter of procedure to secure method and system. That being the case, there is not the slightest objection to questions of policy and principles involved in them being discussed under the general discussion on the budget provided they can be brought under some proper head of the budget.

Now I turn to the particular subject-matter of Mr. Narayana Pillai's speech yesterday which he commenced and which my ruling precluded him from pursuing. That raises an interesting question which I cannot discover has come before this Council at any time previously during its short existence. As every one here knows, the Councils in India, and in fact I might say throughout the British Empire, all derive their existence from the great Mother of Parliaments and we are all endeavouring in this Council also to model our methods of procedure and to build up traditions based on those of the House of Commons. This House, like the Mother of Parliaments, functions in two distinct directions. In one direction it is a legislative body and in another direction it deals with administrative matters. That is why you find that when the House of Commons deals with administrative matters requiring money grants and so on, the House goes into a Committee of Supply; and when the House goes into a Committee of Supply, its legislative functions are for the moment suspended. Similarly, in this Council, we go into a Committee of Supply when we discuss the budget. Whether it is a general discussion on the budget as a whole or a specific item of it, we are in a Committee of Supply; and following the practice of the House of Commons, our legislative functions are suspended for the time being. On other occasions we confine ourselves purely to legislative functions and the question of administrative details in relation to revenue and expenditure does not come in. You will find the authority for my statement in the

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[President.]

ruling quoted in Sir Erskine May's *Parliamentary Practice*. It says "the administrative action of a department is open to debate, but the necessity for legislation and matters involving legislation cannot be discussed in the Committee of Supply".

Taking my inspiration from that, I rule that, while this House is in budget session, no question involving legislation can be brought in, for the simple reason that the legislative function of this Council is suspended for the time being.

MR. A. K. PILLAI (*Karunagapalli*): May I point out that in the British Parliament there is a practice which is known as presentation of an Address to the Throne in which they enunciate the policy of the State for the year when members get an opportunity of expressing their views? Here we have no opportunity for that except during budget debate.

PRESIDENT: We have no such practice as the one mentioned by Mr. A. K. Pillai and therefore it is that a question of administrative policy may be discussed with due relevancy on the appropriate occasion in the budget discussion. But, as I said, no question of legislation can come in during the budget discussion because the legislative function of the House is suspended for the time being.

MR. A. K. PILLAI (*Karunagapalli*): When there is a matter which cannot exactly be described as legislation, when it is not passed through the Legislative Council, then the responsibility entirely rests with the Government. There we can point out the irregularity.

PRESIDENT: Legislation is legislation by whatever method it is promulgated. There are, of course, other means of bringing under discussion the subject-matter in question. One method is to move for the adjournment of the House to enable it to discuss a matter such as the Newspapers Regulation with which Mr. P. K. Narayana Pillai opened his speech yesterday. As to whether an opportunity will come to you to bring that matter under discussion is for the House itself to decide.

Having made my ruling that questions of legislation are beyond the purview of discussion in the budget session, I now proceed to deal with another matter which also came up yesterday, that is, whether the token motions of Mr. Nilakanta Pillai of which he has given notice bar a motion for leave to adjourn the House to discuss the situation said to have been created by the Newspapers Regulation. Upon that point, all that I can say is that Mr. Nilakanta Pillai's motions are expressly made for certain reductions in a budget provision. His motions are not those on a question of policy, but merely motions to move only for the reduction of particular sums, one rupee in one instance and one cash in another. Hence it cannot be regarded as motions barring a motion for leave for the adjournment of the House. That being the case, Mr. Tarakan's motion to discuss the situation created by the Newspapers Regulation is, I think, admissible.

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MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): Rule 19 (4) runs as follows:

"The motion must not anticipate a matter which has been previously appointed for consideration or with reference to which notice of motion has been previously given."

Therefore, the question for consideration is whether Mr. K. P. Nilakanta Pillai has given notice of a motion on this point. Under the rules, a motion to be considered during the discussion of the demands for grants, should be only for the purpose of reducing or omitting particular allotments. The printed forms supplied to every member clearly state that the motion should only be to *reduce* the definite amounts allotted for particular items or to *omit* particular allotments. I believe Mr. Nilakanta Pillai also has proposed to reduce particular allotments in the budget. Perhaps he has hinted what he is going to speak about during the discussion of that motion. But that does not form part of the motion; because while discussing that motion each member is entitled to have his own standpoint. I will give an example. While we were discussing the necessity for the appointment of Mr. Macmillan, some members suggested that the Devicolam Division might be abolished. Some other members suggested that an Indian First Class Magistrate might be put in there. Various other views were also put forth. Therefore, such motions may be discussed from various standpoints. If Mr. K. P. Nilakanta Pillai proposes a cut of one rupee under the head of General Administration or Legislative Council—I do not know what it is—it may be that he proposes to discuss the question that Mr. T. P. Ramasubba Aiyar, as Secretary to the Legislative Council, is not discharging his duties properly, or that the shorthand writers are under-paid, or that the Legislative Council Proceedings are not issued promptly. Each member is at liberty to put forth his own points of view in discussing token motions. Therefore, so far as Mr. Nilakanata Pillai's motion is concerned, it does not anticipate any discussion on the subject-matter of Mr. Tarakan's motion. Mr. Nilakanta Pillai's motion is only for the reduction of one rupee, and *that* motion he has sent up in order that the policy underlying that particular head in the budget could be discussed. Therefore his motion is not identical with the one of Mr. Tarakan's. In cases of this kind, as the President has ruled, the question of the necessity for legislation or for the repeal of a Regulation does not form part of the budget discussion as laid down in Sir Erskine May's *Parliamentary Practice*. The only way to get at the Government, with a view to appraise the Government, of the views of this House, is to move an adjournment motion or a resolution. Now that the resolutions on the subject of Newspapers Regulation have not been balloted, the only course open is to move for the adjournment of the business of the House. I am not able to see how there is any other motion, on the very same subject, of which a discussion is anticipated. My own view is that Mr. K. P. Nilakanta Pillai's motion

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[Mr. V. Subba Aiyar.]

is only to reduce one rupee from a specific allotment in the budget. That need not necessarily mean that the discussion on that motion should be confined to this matter. Therefore, Mr. Tarakan's motion is prefectly in order.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): Some resolutions on this subject had been sent up. Will not the rule quoted apply to those resolutions?

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): But those resolutions have not been balloted for discussion in the House. The rule says that the adjournment motion must not anticipate a matter which has been previously *appointed for consideration* by the House. No such resolution is to come up for the *consideration* of the House, and so we do not *anticipate* a discussion on that matter. We cannot also anticipate the discussion that is to ensue hereafter otherwise than from what we find in the motions of which notice has been given.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): May I know the opinion of my friend as regards the foot-note, to my motion which shows that the discussion is to be about the Newspapers Regulation?

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): As I have already stated, that does not form part of the motion. It is only an explanatory statement which the member has introduced, probably with a view to oblige the Law Member or the official member in charge of the demand to be prepared to oppose the motion if he so chooses.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): Who is the proper authority as to my views, myself or somebody else?

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): Certainly, he is the authority for his own views. But what I say is, that his motion deals only with the reduction of one rupee from a particular allotment in the budget. His foot-note does not form part of the motion and is merely explanatory and intended for the purpose of information to the official member in charge of that item in the budget.

MR. C. P. THOMAS (*Nominated*): Is it incumbent on every member who sends up such motions to put in such explanatory foot-notes?

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): The members are not bound to give that explanation at all. A motion will be in proper form even if there is no such foot-note.

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*): Are not the other members at liberty to talk on matters not covered by the foot-note of the mover?

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MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): That is what I have been saying; each member is at liberty to talk from his own standpoint.

MR. C. P. TARAKAN (*Kunnatnad*): ആ മെമ്പറിനതന്നെ വേറെ വിഷയത്തെപ്പറ്റി പറയാൻ പാടില്ലേ?

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): അതും പറയാം. (*Laughter.*)

That is one of the subjects. He can include other subjects also.

PRESIDENT: I rule that the two motions of which Mr. K. P. Nilakanta Pillai has given notice are not motions of the kind contemplated by Rule 19 (4) of the Legislative Council Rules. Consequently, Mr. Tarakan's application for leave to move a motion for adjournment is permissible; and it will depend upon the House whether he is to be given that leave or not.

MR. KAYYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Are you asking, Sir, whether the House is giving him leave or not?

PRESIDENT: I am permitting Mr. Tarakan to come forward with his motion if he wants leave.

MR. C. P. TARAKAN (*Kunnatnad*): I move for the adjournment of the business of the House for the purpose of discussing a definite matter of urgent public importance, *viz.*, the situation created by the Newspapers Regulation.

MR. KAYYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): I believe that Mr. Tarakan is asking for leave. If that be so, I object to leave being granted.

MR. K. P NILAKANTA PILLAI (*Chirayinkil*): Under Standing Order No. 26, I move that the House may pass on to the next item in the business of the day.

PRESIDENT: I must first put the question before the House. Mr. Tarakan has made a request for leave to move an adjournment motion and Mr. Kayyalam Parameswaran Pillai has objected to leave being granted to him. I must ask the House to decide that matter first.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): When I moved my motion, the other motion remains suspended until my motion is disposed of. Else, there is no use of that provision in Standing Order No. 26.

MR. T. P. RAMASUBBA AIYAR (*Secretary to Government*): Standing Order No. 26 refers to matters set down in the statement of business. Mr. Tarakan's motion is not an item in the statement of business for to-day. So, the Standing Order quoted does not apply.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): There is a statement of business already fixed for to-day. I want the House to proceed to the next item in to-day's business and to adjourn the consideration of Mr. Tarakan's motion.

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MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): The provision for adjournment of the business of the House is a special provision and it cannot find a place in the statement of business of the day. I fail to see how we could adjourn a motion the consideration of which is in the mind of the mover. Standing Order No. 26 does not relate to motions for adjournment of the business of the House.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): I wish to have a ruling from the Chair on that matter.

PRESIDENT: I rule that that motion of yours is not in order, Mr. K. P. Nilakanta Pillai, since the provision for adjournment of the business of the day is an extraordinary provision.

[The question whether Mr. Tarakan has the leave to move for the adjournment of the business of the House for the purpose of considering the situation created by the Newspapers Regulation was then put to the vote of the House. Five members were in favour of the motion.]

PRESIDENT: As twenty members have not stood up in favour of leave being granted to Mr. Tarakan, he has not the leave of the Council.

The House will continue the general discussion on the budget.

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): Sir, I wish to say a few words about the budget. I must, in the first place, congratulate the Government, in the first year of its administration, for having been in a position to place before the House a surplus budget to the extent of 17 lakhs of rupees for the year 1101, and a pretty large amount for the year 1102 also. It augurs well for the new and young Financial Secretary, Mr. Nilakanta Pillai, and I hope he will have the good fortune to place such surplus budgets before the House in future also.

So far as we are concerned, there are some items in the budget as regards the allotments for which I would like to lay some emphasis. The Medical Department is supposed to be one which affords relief to the suffering. Though we have a large well-paid establishment, I find there are very serious defects in the working of some of them. These defects can be remedied only if proper allotments are made in the budget. I am glad to find that so far as one of these defects is concerned—I mean the want of the X-ray apparatus—provision has been made in the budget for about Rs. 30,000. My only wish is that the apparatus that is to be got down and the person that is to work it will be such as would give entire satisfaction to the public and will not meet the fate of their predecessors. I therefore welcome the proposal. If there are fractures of bones, it seems the doctors are not able to find out whether the bones have been properly set or not unless they see them actually with the help of X-rays.

The other item in that department of which I want to say a few words is the Ophthalmic Hospital. So far as this hospital is concerned—I do not know whether many have actually gone there and

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seen it—I am really sorry to find that there is no such thing as a 'dark room' there. We have only an apology for it, and I do not find any allotment for it in the budget that has been placed before us now.

I may, Sir, in this connection, suggest—as I suggested at the outset—that the shorthand reporters here are very poorly paid. I believe this House is aware of the fact that, recently, the Madras Legislative Council passed a resolution to the effect that the pay of their reporters should be raised since their pay was the least compared with that of the reporters in all the other provinces in British India. So far as our reporters are concerned, the pay here is less than even half of that of the Madras reporters and the number here is also very few. The work that they do is responsible and onerous. I believe the Government will be pleased to take note of the matter and see that their position is improved.

Another matter which I want to refer to is the development of the production of food stuffs. My friend, the Director of Agriculture, has been taking a good deal of pains to see that the production of food stuffs is developed, and he insists on intensive cultivation and has therefore ordered his subordinates to do everything that they can to help the ryots in that direction. But, unfortunately for him, the Conservator of Forests is pulling in the opposite direction and therefore it is not possible for the Director of Agriculture to do anything in that matter. I will say how. The most important thing necessary for agriculture, according to Dr. Kunjan Pillai, is cattle manure. For this, we should have cattle, but the Conservator of Forests refuses to allow any land for purposes of grazing. That is why I said that the Conservator of Forests is working in the opposite direction. Unless these two heads of departments put their heads together and work in an organised and sympathetic manner, it is not possible for agriculturists to get on. My friend, the Conservator of Forests, will say that there are forests where Travancore cattle may graze freely. I will, from his own statistics, show that cattle, sheep and goats cannot graze in all places at the same time. In some places, it so happens that he has reserved forests although reserved forests proper begin 3 or 4 miles off. He will reserve forests just on the side of registered holdings so that it will be impossible for cattle to graze. It is only when I read the appendix to his report for the last year that I managed to know that matters were so bad. It is given on page 54, as statistics for Quilon and Shencotta, that certain number of acres are closed to all animals, that certain other portions are closed to sheep and goats and that the area open to all animals is *nil*. Therefore, in Shencotta and Quilon, there is no area open to all animals. I think it is absolutely necessary that some portion is set apart for the grazing of all animals; and, if cattle are taken to any place other than the area set apart for the grazing of all animals, then in those cases alone, it will be desirable to take legal steps. I am at one with the Conservator of Forests in the view that forests should be conserved. But I beg to state

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that, as much as possible, sufficient provision should be made for cattle, sheep and goats to graze freely so that the wishes of the Director of Agriculture may be accomplished. Without grazing grounds, it is impossible to get manure. I believe, the Government will direct the Conservator of Forests to consider the question sympathetically and to see what could be done in the matter.

Another matter which I wish to place before the House is as to what I learn from a letter which had been placed on my table yesterday. In the recent Co-operative Conference held at Changanachery, it was emphasised by the President that Land Mortgage Banks should be started on certain lines. That, certainly, is a desideratum so far as ryots are concerned; and, if the Government would render all possible help in that direction, it will certainly be very beneficial to the ryot population who are at present indebted to a large extent.

In the budget speech of Mr. R. Nilakanta Pillai, the Financial Secretary, I find that the enhancement in the income from registration fees is said to be due to the fact that a large number of partition deeds under the Nair and Ezhava Regulations have been registered. But I looked at his report and wanted to find whether he had given any statistics. It will be desirable if the number of documents that have been registered had been published so that we may know how far the Regulations have been availed of by the communities concerned.

The last item which I wish to deal with is the Forest Settlement. So far as that matter is concerned, I may, without fear of contradiction, say that the situation is very scandalous. I do not know of even a single case which is less than 15 years old. If a forest is proposed to be reserved and if any body puts in his claim, the claim is never decided. He cannot enter the forests, nor do the Government get anything out of it. It results in disadvantage to both the parties. I am glad that the Government have at least now taken steps to appoint a special officer, having found out that it was impossible for the Peishkars to cope with this work also.

MR. G. RAMAN MENON (*Mavelikara* cum *Kartikapalli*): May I know whether, in the light of the ruling given to-day, Mr. P. K. Narayana Pillai cannot be allowed to resume his speech, especially because the subject comes under the budget head 'Legislation'?

PRESIDENT: That is a matter on which Mr. P. K. Narayana Pillai had better move for himself.

MR. C. P. THOMAS (*Nominated*): My pleasing duty is, first of all, to congratulate the Financial Secretary and the Government on the budget which may be characterised as one providing an over-flowing balance, and that without any additional burden on the people by way of fresh taxation.

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MR. C. P. TARAKAN (*Kunnatnad*): കുരുമുളകിന്ന് അധികം തീരുവ കൂട്ടിട്ടുണ്ടല്ലോ; അതുകൊണ്ടല്ലയോ?

MR. C. P. THOMAS (*Nominated*): With regard to the enhancement of the duty on pepper, I think, that increase in taxation was introduced at a time when the price of pepper was so high that no pepper-producer would have felt it a burden. There is so much to be said in defence of that.

I was going to say, Sir, that the Financial Secretary had anticipated an income which was far less than what was actually received and an expenditure which was far in excess of what had actually to be spent. In such situations, I think, the Financial Secretary would have done well if he had taken a more optimistic view of the financial situation of the country and had provided for more beneficial items of expenditure. I hope that, at least in future, he will not under-calculate income and over-estimate expenditure and thus be deterred from providing for a larger number of beneficial items of expenditure.

I will now pass on to speak a few words on the Education Department. First of all, I wish to express, on behalf of the large number of Vernacular school teachers, their appreciation of the action of the Government in appointing a committee to consider the question of improving their salaries. Although it might be said that there has been —as we consider it—unnecessary delay in the appointment of the committee and in the passing of the G. O. connected with it, yet we hope that the committee would finish its labours within the time allotted, and that very soon, an announcement which would give relief to these hard-worked and suffering body of public servants would be made.

I have to express my regret at the delay on the part of the Government with regard to the appointment of a general educational committee which the Dewan had practically promised about a year ago, and which promise was again repeated about six months back. I hope that there will be no further delay in that matter and that the Government will find their way to appoint that committee soon, since that is a matter which cannot be put off any longer. I realise the importance of this matter, especially when I remember that the only conference dealing with educational matters which existed under the auspices of the Government, *viz.*, the Headmasters' Conference, has not been sitting for the last three or four years. Now, Sir, in a country where education is fast progressing, it is a great pity that there is no organised body which would meet occasionally and discuss important questions of educational activity and progress. Considering that the Headmasters' Conference has not been meeting and that the reason given for the abeyance of that conference is that the general question of educational reform will be considered soon by the Government, I say all the more is the reason why a general committee for education should soon be appointed. I would, at the same time, request the Government to see whether they cannot, in addition to the proposed Education Committee, make provision for the regular meetings of the Headmasters' Conference as was done in previous years.

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[Mr. C. P. Thomas.]

I would now pass on to speak a few words about private schools and the grants-in-aid given to them. I shall speak especially about the provision made in the Education Code with regard to the building and equipment grants. We find that recently a principle has been enunciated that the building and equipment grants can be given only to a school which has secured recognition after satisfying all the conditions with regard to building and equipment. I doubt very much whether the Code anticipated any such principle. Evidently, there is nothing in the Code clearly to this effect. It is only a question of interpretation. What I would submit is that this interpretation is neither generous nor expedient. The effect of this may be said to be like this. Suppose a private manager proposes to start a High School. He will have to spend at least Rs. 10,000 on building and Rs. 5,000 on equipment. The department says "First spend Rs. 10,000 on building and Rs. 5,000 on equipment and after that if your numbers increase and you want additional room and equipment, the Government will help you by way of grants". Considering the fact that the starting of private schools and their conduct form a substantial aid to the Government, as far as educational expenditure is concerned, this treatment of the managers of private schools is neither just nor wise. What I would say is that the managers deserve to be aided when they want money for the initial expenditure in connection with the starting of the school and not after they have spent money on building and equipment.

Another point with regard to private schools that I would bring to the attention of the Government is in relation to the conditions imposed in connection with opening of new schools. One difficulty that the managers have felt is that in laying down conditions. The department does not as a rule make any difference between what might be considered to be essential conditions and what might be considered to be non-essential conditions. The essential conditions may relate to the qualification of teachers and the necessary equipment and appliances for teaching. Now, there are conditions which are also non-essential. With regard to the buildings, one condition that is generally imposed is that the floor should be tiled. Another condition that is imposed is that the ground around the school should be levelled. These are surely not to be on a level with the first. Now, all these conditions are given in a body and the manager is not at all in a position to see which is essential and which is not. And when the manager has satisfied these conditions, he will find as he sometimes has found that the permission is withdrawn or that the recognition is not given simply because one of these conditions is not satisfied. The manager is told "You have accepted certain conditions and not fulfilled them." I submit that when the conditions are intimated to the managers, they may be made to understand what the essential conditions and what the non-essential conditions are, and a difference should be made between these two different kinds of conditions as to the time given for satisfying those conditions.

Another distinction that ought to be made is with regard to the difference in local conditions. When places are considered to be

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backward with regard to education where the people are not at all appreciative of the advantages of education, conditions should not be as stringent as those imposed on schools that have to be opened in areas where people are known to be alive to the advantages of education and can be expected to provide the school easily with *pucca* buildings and equipment. A difference should be made between school and school also on the consideration whether at the place where the new school is to be started there are other schools supplying the local need. For instance, if in the taluk of Tiruvalla or in some of the other taluks in Central Travancore where there are enough of schools, a private school is to be started the department would be justified in imposing stringent conditions. On the other hand, where there is no English Middle School within a radius of about 5 miles or more, if a manager wants to open a school, the conditions should be quite different, not in quality, but in the time given.

Another point with regard to grants given in aid of the supply of equipment is that there is a rule that no grant should be given on equipment supplied, unless it is previously approved by the department and unless a promise of grant is given. The effect of this rule is that very few managers are able to secure this approval, especially the promise of grant, in time, for them to provide those articles by the time the school actually wants them. During the sitting of the Educational Expenditure Committee, all the managers who were members on it spoke about this difficulty and it was evident then that very few managers cared to go in for the grant because of the great technical difficulties involved in securing such a grant. What I would request the Government is to modify the rule so that this condition of previous promise for grant is not insisted upon. If the manager is prepared to wait until the department can find funds for the grant, there is no reason why this condition should be insisted upon. That the list should be approved by the department is necessary. Provided that the list of articles supplied is approved, and the manager is willing to wait for the grant when the money for it can be found, the promise may be made. Of course, the manager would expect that his claim would be considered by the department in preference to fresh applications, when the time for apportioning the grants comes. Thus, I believe the manager would wait for the grant to be given when the funds for it are available. What happens is that, since this previous promise of grants cannot be secured in time, most managers think that it is not worth their while to try to get the grant. The Administration Report shows that only 11 schools applied in 1100, for grants either under buildings or equipment. I believe it is not because the managers do not want such a grant, but because they knew that there was no chance of getting this previous promise of grant early enough for them to get the articles so as to satisfy the then need of the school.

There is another question with regard to education to which I would call the attention of the Government, and that is the question of moral instruction. Dr. Mitchell when he introduced the new Code and the new courses of study, in a preface to the Courses of Study, says something to this effect. No mention is made about any course of moral instruction

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It is not because the department is not aware of the supreme importance of the subject, but only because of the difficulty of introducing any suitable kind of moral instruction. At the same time, the inspecting officers are given special directions to know what is being done in each school with regard to moral instruction. In none of the annual reports has one found anything to show what the inspecting officers have done to know what is being done in any school with regard to moral instruction. I know that in private schools some attempt is made in that direction by means of the religious instruction that is imparted. With regard to Government schools, I do not know what is being done there. I think that although it is not possible to give religious instruction proper, it is possible, even in Government schools, to arrange for moral instruction being given for a few periods in the week by means of text-books containing biographies and other suitable matter. With regard to the instruction in private schools, we are not allowed to take any portion of the regular time for this instruction. So, the result is that the pupils have to sit for this instruction at the fag end of the day or forenoon, for, in most of the schools religious instruction is given to pupils during the last period of a forenoon, when all their energies are exhausted and when the teachers who come for teaching that subject are also tired after their forenoon's work. Now, considering the importance of moral instruction, I would draw the attention of the Government to the desirability of allowing the managers to devote some time, say, two or two and a half hours in a week to moral and religious instruction during the thirty hours that are to be devoted to instruction in schools. Otherwise, even the little attempt that is made in this direction, will continue to be very nominal.

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): Is there any objection to having this in the early hours of the day when both the students and the teachers are fresh?

MR. C. P. THOMAS (*Nominated*): The difficulty with regard to that is that if this instruction is given before the regular work begins many pupils would absent themselves because it is not compulsory for the pupils to attend this class. So it would be difficult especially in the mofussil schools where boys come from a distance of four or five miles. It will be a very great temptation for them to evade the religious instruction class.

MR. K. I. JOSEPH (*Minachil cum Devicolam*): Does Mr. C. P. Thomas say that this should be made a compulsory subject?

MR. C. P. THOMAS (*Nominated*): I do not say so. So far as moral instruction is concerned, it could be made compulsory. With regard to religious instruction it could not be made compulsory.

Now, I shall speak a few words on the question of lapses of amounts sanctioned for education. When there is such a loud complaint that several educational needs are not satisfied because of the want of funds, it is a pity that the department should allow such lapses of large

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amounts, which in one year came to about Rs. 2 lakhs and in another to about half a lakh. If the department were anxious to help private managers in the matter of grants and if they found out how far the managers stood in need of such aid, I am sure it would have been possible for the department to spend more money in that direction. I do not see why, considering the long-standing cry of the poor Vernacular school teachers, even though a permanent increase in their salaries could not be given, the department could not have thought of recommending the payment of a bonus to these poor teachers if the account rules of the State would allow such a procedure.

With regard to the half-fee concession in private schools, I would repeat what my friend Mr. Paul Daniel said yesterday. This half-fee concession is a measure that has been introduced by the Government without consulting the managers of private schools. Although it is true that private school managers are not bound to adopt the scheme, yet they are driven to a corner and obliged to do so, except in places where there is no other school within a radius of 10 miles. If the Government find it necessary in the interests of the depressed classes that such a concession should be given, I think they should bear the whole burden and compensate the managers by paying them the whole amount they lose on that account.

I would also give my support to the plea made by Mr. Subba Aiyar on behalf of the short-hand reporters whose work is arduous and tiring and who deserve the special consideration of the Government.

Turning to the Public Works Department, I would just point out the desirability of creating something like District Boards to consider the relative importance of various works that are to be done in particular districts. Now, I fear that one road is preferred to another road mostly according to the pressure of one or more individuals who may be interested in that road. No doubt, in this way, we are getting some good roads; but as a matter of policy, I would strongly recommend the organisation of satisfactory boards, which would advise the department in connection with the necessity of opening roads and other means of communication in particular areas.

I would also speak a few words in support of the recommendation about the X-ray apparatus. I am glad that provision is made in the budget for the plant required for working it. I only hope that the Medical Department would soon start this work so that the people who are now suffering because of the lack of such a provision in Travancore, being obliged to go to Madras for that purpose, would find adequate relief without unnecessary delay.

MR. T. J. MATTHEW (*Changanachery* cum *Peermade*): Though the year 1100 was ushered in under gloomy financial conditions, the actual receipts of the year showed that there was a marked improvement in the finances of the State. We were able to realise a surplus of Rs. 10 lakhs. This shows that the dislocation caused by the floods was only a very temporary one, and that the country and the Government withstood the devastation with creditable success. When the

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budget for the year 1101 was prepared, the actuals of 1100 were not known and it was prepared with due circumspection, not knowing effectually we had got over the calamity that befell the country in 1099: Though the budgeted surplus for the closing year was only Rs. 3¾ lakhs, the revised estimates show that we are anticipating that we shall be making a saving of Rs. 17½ lakhs. Judging from the experience of 1100, we shall not be far from wrong if we expect a much larger surplus and I hope that that will be the case when the actual figures are obtained.

The receipts budgeted for the coming year amount to Rs. 211½ lakhs; they are Rs 5¾ lakhs less than the expected receipts of the closing year. It may appear then that we have made a very low estimate of our revenue for 1102. But it is not actually so. The proceeds obtained from sale of Government lands was included in the budget for 1101 among the general receipts, but this year this item has been removed from the head 'Land Revenue' and shown separately as 'Revenue capital nature' so that the budgeted receipts for 1102 fall short of the revised estimate of the previous year only by about three-fourths of a lakh of rupees. The surplus now anticipated for the next year is not Rs. 3½ lakhs but Rs. 7½ lakhs. This is double the amount of the last year's budget. If no untoward event happens, we can really expect a much bigger figure. The figures quoted above indicate that we have been enjoying a solid financial security for the past several years; and that our finances are steadily increasing year after year. I can therefore safely congratulate the Government for having been limiting the expenses well within the income and saving a really appreciable amount to be utilised for further developing the resources of the country.

Taking the various items of receipts one after another, I have to state that we cannot be so jubilant as we may be led to be on a consideration of the total receipts and expenditure and the surplus. The most important item—Land Revenue—cannot be expected to go on yielding more and more every year. The taxes have been fixed on a practically permanent basis and a general revision of the assessment is not to be looked for in the near future. Additional income from this quarter in the shape of ground value and tax on new registries is found to be on the decrease. We are already reaching the end of our tether, and the Forest Department is spreading its tentacles over the little we have with the greed of a monster.

The next head of revenue that requires consideration is Taxes on Income. The accounts show that in the year 1100, an amount of Rs. 7,89,272 was actually collected. The budget estimate for the year 1101 was less than that, being only Rs. 6,35,400. The revised estimate shows that the anticipated collection will come only to Rs. 5,20,000. The Government expect an amount of Rs. 5,50,000 for 1102. The figures are not very encouraging. This is no doubt a new tax and generalisations from the figures for the few years of its existence may be misleading. There is the additional fact that the

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Income Tax Regulation was amended once during the course of its working for those years. We have also to consider that it was being worked on a wrong basis in several matters and many irregularities have been committed. Consequent on these, large amounts had to be refunded. Mr. Robinson after his taking charge of this department is indeed doing much to ease the hardships caused to the people in the unsympathetic and arbitrary method adopted in its working; and the public feel grateful to him. But even now very many hardships still hold on. Under the Amended Regulation the income of a year is taken to be the actuals of the previous year once for all, but when accounts of a certain year are produced and examined, the collectors fix the amount seen therein as the income of that very year as well as of the succeeding year. Applications for refunds under Section 36 are delayed beyond several years and they are never disposed of. I would urge on the attention of the Government and that of the Commissioner, that such irregularities are not calculated to further the progress of business and the spirit of enterprise on which alone the success of the department and the smooth working of the Regulation entirely depend. Persons are not wanting even in this country who advocate abolition of land assessment and the substitution in its place of a tax on all income. The Department of Income Tax is one which is bound to grow into an important department of the State. It behoves the Government to see that a regular basis of working is established in its inception and that it is made a popular one.

The Income Tax Department is a very important department in another aspect. The wealth of a country depends upon the amount of business that is transacted therein. This is true more in the present times than perhaps in the past. Unless the people shake off their habits of indolence and engage in business, they will ever remain poor, if not on the verge of starvation. Even in Travancore, which is still mainly an agricultural country, the problem of unemployment, particularly of the unemployed literate, is staring us in the face. If trade and industry can be developed in the land, the wealth of the land will naturally increase and the Government will be able to obtain an increased amount as income tax. In other words, if Government are collecting every year an increased amount of income tax, it indicates that business is progressing in the State. The income tax may therefore be safely taken as a guide to ascertain whether there is financial progress in the land. It is really the criterion of a country's prosperity. The Income Tax Department will always be an eye-opener to the Government in gauging the material happiness of the people. It is on this account that I stated that it is a very important department that ought to be worked with scrupulous care and particular regularity. If one can be allowed to draw any conclusion from the figures shown in the budget against this department, one is struck by the stagnancy, nay even lowering, of the taxes on income. This, at any rate, does not indicate development of business in the State. The Government will, I believe, take stock of this indication and ponder over it.

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[Mr. T. J. Matthew.]

The figures relating to the salt revenue show that receipts under this item is not expected to show any increase, unless enhancement in duty is made which itself is not a culmination I wish for. There is one matter in connection with this department about which I would desire to make a passing reference. The proceedings of this Council show that a volume of literature has grown round the manufacture of local salt. Being a native industry, Sir, its development is a matter that should engage the earnest attention of the Government.

The estimate of the receipts under 'Excise' 'for 1102, is in excess of the previous budget estimate by Rs. 2 lakhs and closely approximates to the revised estimate. Here an increase is forecasted. The revenue grouped under 'Excise' includes the receipts from the sale of toddy, arrack, opium and ganja. These are undoubtedly obnoxious objects and the policy of taking advantage of the pernicious habits of the people to extract some money out of them is not a very commendable one. The Government have declared that their policy is to reduce the volume of consumption of these excisable articles. The Excise Commissioner has this year reduced the number of shops in certain places; but the fact that an increase of Rs. 2 lakhs is estimated evidences that consumption will be more in 1102 than in 1101. This is indeed discouraging. I would urge that Government do make a definite order that the revenue under this head must not be allowed to go beyond a certain figure and ask the Excise Commissioner slowly to work down the figure. Whatever be the policy of Government in this matter, there is a strong volume of opposition which will ever operate to keep down the receipts which the Government may expect from this department. I would characterise the revenue under this head as precarious as well as pernicious.

It is with a sense of relief that one passes from this item of revenue to the next, *i. e.*, customs. It is a healthy source of income and any amount of increase under this head would be welcome, provided the duties are not unnecessarily increased. As the amount of income-tax is a criterion of the development of business in the State, the amount of customs realised will be a criterion of the volume of the foreign trade. It is consoling that the Government are able to estimate an increase under this item. However, it has to be remembered that, during the current year, the duty on pepper has been enhanced. I doubt therefore whether the slight excess of Rs. 3 lakhs over the budget of 1101 really indicates any actual development in trade and commerce.

The Forest Department is expected to make a return of Rs. 13 lakhs. The main item of revenue is the sale proceeds of timber, including royal trees. If we examine the figures of the past several years, we shall find that the net receipts of this department remain either stationary or, if at all, only show a tendency to decrease. We cannot have any increase at any time. The revenue from this department is found to fall. I am not one who favours the policy of running this department on a purely commercial line. The object of the Forest Department must be merely to conserve the forests of the land and preserve

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them from denudation. This is not the line on which it is worked now. The declaration of certain trees as royal trees has been followed by the most deplorable consequences. The department has been wasting a lot of money in protecting the royal trees in private holdings. The interference of the employè of the Forest Department in this direction has driven home to the people the conviction that it is dangerous to allow teak and blackwood to remain in their holdings. These trees have practically disappeared from the country and taken shelter in Government forests. A very profitable source of wealth and convenience has thus been gradually destroyed. This is entirely due to the unwise policy contained in the Forest Regulation and Rules which have constituted teak and blackwood trees to be a Government monopoly even on registered holdings. The rule that half the value of royal trees felled from private gardens would be refunded to the owners only after the timber is sold has caused serious hardships. The owners are unable to know when the logs are disposed of. The owners are entirely at the mercy of the Forest subordinates in getting any information as regards the price and other particulars. The applications for the refund of their share of the value are as a matter of course consigned to the waste paper basket. Repetitions and reminders are not productive of any result. Even in cases where the persons are capable of making their demands audible, delay and procrastination drive them to despair. They return home and burn or uproot every young tree or plant that they find in their *purayidoms*. It is regrettable that where applications are made after three or six years, or where this period expires during the course of disposal, which takes an abnormally long time, the applicants are met by the plea of limitation bar. The figures shown in the budget, I am sure, are illusory. The receipts include the very large amount of *kudivila* still remaining to be refunded; and as this is not intended to be refunded, the department can coolly show this enormous amount also as its income. A committee was once appointed to consider the question of excluding teak trees standing on private holdings from the definition of royal trees. But the public have been kept ignorant of its report. Nor have the Government taken any action upon the report.

The policy of the department to add to its jurisdiction still more Government waste lands with a view to show more revenue is another matter in which I cannot agree with the Forest Department. The Government have announced on more occasions than one that there is no scope in Travancore for further conservation of forests. The Government seem to have forgotten these declarations and are bent on adding block after block to the number of reserves. Even a special officer is proposed to be appointed to do this work. Tracts now proposed to be reserved are either inhabited or planted up, and the miseries and hardships that must entail the process of eviction are better imagined than described. The unwisdom of this policy has been so often brought to the notice of the Government even in this House that I do not propose to linger on this subject any longer.

The other principal heads of revenue that remain to be considered are Stamps and Registration. No special comments are called for on

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these heads. The receipts under these heads are capable of neither any sudden fall nor any abnormal rise. The special causes which have brought in an appreciable increase in the year now closing have been referred to by the Financial Secretary.

Before passing on to the items of expenditure, however, I wish to say a few words about the income derived from the P. W. D. Of the total receipts of this department, which are expected to be about Rs. 3 lakhs in the coming year, Rs. 1,60,000 are derived from tolls on roads and bridges and Rs. 66,000 from navigation. The revised estimate for 1101 shows that an amount of Rs. 1,60,000 is anticipated under roads and bridges. It is this figure that is taken as the budget estimate for 1102. But information about the auction sale of tolls indicates that the actual collections under this head in 1102 will be more than double this budgeted amount. The Government are, if so, deriving an enticing sum from these tolls; and any suggestion for the abolition of this tax stands in danger of being not appreciated. But, Sir, our forefathers used to move about the country with complete freedom, free from all sorts of publicans and toll-leviers. Robbers were the only class of people who waylaid our ancestors. But the King's highways were free from publicans. Now with the advancement of civilisation and orderly government we are stopped in the middle of the road, collared and waylaid.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*): May I know whether these ancestors travelled in motor cars?

MR. T. J. MATTHEW (*Changanachery* cum *Peermade*): Some do it in the name of the King and others in the name of self-government, labelled Municipalities. These taxes, Sir, are causing no inconsiderable worry and inconvenience to the public and the trouble thus caused is not commensurate with the benefit accruing to the Government. These toll gates on the roads and on the brink of canals constitute themselves into schools for teaching the virtue of patience. But we would prefer to learn this virtue in recognised educational institutions and competent Sirkar schools rather than do it in the middle of the King's highways. If the Government consider that the owners of cars and buses are to be specially taxed, I would suggest that they may be taxed at the source,—I mean when these vehicles are registered,—and that the method of levying tax when they are moving be abandoned.

Coming to the items of expenditure, one is struck by the inadequate provision for the improvement of communications. The total allotment to the P. W. D. excluding Maramat is only Rs. 28 lakhs. Although the revenues of the State have been increasing considerably, the allotment for the P. W. D. is being reduced. The revised estimate for 1101 is about Rs. 3 lakhs less than the actuals spent in 1101; and the budgeted allotment for the coming year is still less. Parsimony in this direction, Sir, is not commendable. This is a real defect and substantial grievance and I would urge on the Government the absolute necessity of increasing the allotment for improving and developing the

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communications of the State. You, Sir, are sufficiently acquainted with the conditions of Travancore not to need any argument for the statement that the prosperity of the country mainly depends upon increased roads and canals.

The amount of money spent on education is going on increasing without any check. The allotment in the budget under discussion is more than the figure in the revised estimate of the closing year by two and a half lakhs. Last year, the Financial Secretary had already stated that the expenditure under education is indeed a staggering one. Yet the expenditure is still on the increase. Unless some effective steps are undertaken, we shall soon land ourselves in bankruptcy.

An amount of Rs. 23,200 is allotted in the budget as grants to municipalities. These institutions are dubbed as the training grounds for self-government. But the people living within the limits of these municipalities have derived no benefit from these institutions. The old Town Improvement Committees under the guidance of Official Presidents with nominated members used to do more useful work. The management of several of the present municipalities is a scandal. Meetings are often adjourned for want of a quorum, Personal spite and private recriminations are rehearsed in the meetings and no one seems to care for the good of the town or for the money collected from the citizens. The Government must be pleased to keep a more vigilant eye on the working of the municipalities. No grant must be given unless the irregularities and indifference are cured and the institutions evince a sincere desire for real self-government. It is deplorable to note that the lesson learnt from these self-governing institutions is not encouraging to those who plead for the further extension of the principle of self-government.

PRESIDENT: The House will now adjourn and re-assemble at 2-45.

The Council rose for lunch at 1-45 P. M. and re-assembled at 2-45 P. M.

MR. N. KUMARAN (*Nominated*): Sir, I have been listening with considerable interest the other day to the budget estimates for 1102 propounded by the present Financial Secretary and I have since studied it carefully. In the first place, I should congratulate Mr. Nilakanta Pillai for the ability and the clearness with which he has explained his proposals. Unlike his predecessor, he was fortunate indeed in having his first budget, what I might call a "prosperity budget." When in 1097 Mr. George introduced his first budget in the Council, the financial outlook was rather gloomy. That budget could be balanced only by making a cut of Rs. 5 lakhs in the P. W. D. estimates. The present Financial Secretary had no necessity to perform such a major operation. In fact, he assures us that over and above Rs. 4 lakhs in the shape of capital receipts, there will be a surplus at the end of the next year of Rs. 3½ lakhs—which, judging from the past experience, might ultimately

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expand itself into Rs. 17½ or even Rs. 20 lakhs when the accounts for the year are closed.

A fundamental point to be kept in view by the framer of the budget is that he should not over-estimate the income and under-estimate the expenditure. A study of the figures for the past few years reveals the fact that this principle has been strictly observed in the preparation of our budget. Our actual collections have always been more than our estimates and the expenditure has not overstepped our proposals. That is as it should be. A satisfactory explanation is nevertheless due to this Council for the great difference that is found to exist between the estimates and realisations of receipts in the year 1100, and the current year. If unexpectedly large surpluses result at the close of the year, we will not have the benefit of it in the current year and will not be able to avoid applying the pruning knife even in desirable or necessary items of expenditure. I think it should be possible for us to estimate the receipts much nearer the mark than we were able to do in the last three years.

Comparing the figures of revenue and expenditure for the three years 1099, 1100 and 1101, we find that, while the revenue has increased by 17 lakhs, the expenditure has increased only by 4½ lakhs and that by the end of the current year, we will have added in three years Rs. 32½ lakhs to our State surplus. Next year, as I have already said, we will in all probability raise this figure to Rs. 40 lakhs after meeting even a sudden increase in our expenditure to the tune of Rs. 8 lakhs. Such surpluses are no doubt in themselves good ; but they are not unmixed blessing. A succession of surplus years tempts the Government to forge ahead with increasing expenditure. It will be conceded that the growing requirements of a progressive administration can be met only by gradual development of our financial resources and unless this development is steady and unless we see that the expenditure increases only in proportion to the development of our stable items of revenue, the chances are that we may reach occasionally a point in our financial position similar to the one in 1097. I have my own doubts whether we are justified in raising suddenly our expenditure by Rs. 8 lakhs in one year as we are proposing to do in 1102.

Another point that emerges from a study of the budget figures is whether the Government have any justification for adding surplus after surplus in four consecutive years to the State balances without affording some relief to the heavily burdened tax-payer. It is often asserted, and I believe rightly, that we have reached the limit of taxable capacity and that the people of this State can bear no more fresh taxation. There is a mistaken notion in this country that we, under our own benign Government, are taxed much less heavily than our brethren in British India under an alien rule. But the statistics available for the year 1925-26 show that in the various British Indian Provinces taxation per head of the population averages from Rs. 2¼ As. 8 to Rs. 4, while in

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Travancore it is not less than Rs. 5-As. 4. It is difficult to see on what principle we are taxed more heavily than our neighbours in Tinnevelly and Coimbatore, while economically they are much better than Travancoreans. It is an elementary principle in taxation that the State should not collect more revenue from its subjects than is necessary to meet its present requirements. There is no justification for taxing the present generation for maintaining large surpluses for the benefit of future generations. I should think, it would have been an act of wisdom and statesmanship on the part of the Government if they had, in view of successive surpluses, removed at least some of the irksome taxes which heavily press upon the poorer classes in the country. When I say this, I do not imply that the Government would not be justified in imposing new taxes if they succeed in tapping thereby important new sources of revenue. I cannot but refer here to the exemption which rubber undeservedly enjoys from taxation. The necessity for taxing such important sources of revenue as tea and rubber was pressed on the attention of the Government several years ago. They taxed tea but not rubber. We find that the export duty on tea is now an important item in our customs revenue. In fact it is the third in the list of dutiable exports and has yielded three lakhs and 81 thousand rupees last year. No doubt, there was a slump in rubber and consequent falling of price for some time in the past. But this slump was followed by a boom which yielded enormous profits to the rubber grower. This is just the moment for imposing a duty on rubber. I would request the Government to take courage in both hands and impose a reasonable duty on rubber as the State is entitled to a share in the enormous profits which the rubber grower is reaping at present. Further, cultivation of rubber and tea is not a cottage industry. It is only the capitalist who is proposed to be taxed, unlike the case of cocoanut tree cultivation. I hope the Government would take early steps to tap this important source of revenue which may, in all probability, ultimately become the first item in our customs revenue.

In this connection, I should like to bring to the notice of this House the altogether inadequate attention that is being paid by the Government to the commercial development of the country. The customs revenue estimated for the next year is Rs. 28½ lakhs. It does not require the vision of a prophet to discern that within a period of 10 or 15 years this item in our revenue is likely to equal, if not to surpass, the land revenue and yet the commercial development of the country is practically left to take care of itself. We have participated at great cost in the Wembly Exhibition and it is difficult to see how we are being benefited by such participation. I understand that Dr. Kunjan Pillai has made several important proposals for the development of our commerce, but there is no knowing when the Government are going to take them into their serious consideration. Our foreign trade is in the hands of a few foreign capitalists. Indigenous enterprises to share in this business are destined to fail unless the Government go to their help, organise a Commercial Department, a Chamber of Commerce and appoint a number

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of trade agents in important commercial centres of the world, where our finished products and raw materials can find a market. Attempts should also be made to find new markets for our goods. The position of the coir yarn trade at present furnishes an illustration of the point I am striving to explain. Coir yarn made in our cottages from cocoa-nut husks which were only used as fuel some 40 or 50 years ago, now forms the biggest item in our exports In 1100, while duty on *copra* was Rs. 4 lakhs, the coir yarn yielded as much as Rs. 6¼ lakhs and it further added Rs. 1¼ crores to the income of the people. But from the beginning of 1926, a great depression is being felt in this trade. There is very little demand from foreign countries for our coir yarn. The prices have gone down by 50 to 70 per cent. The poor producers and the petty traders who collect the yarn from the former are seriously hit. This industry is mostly in the hands of the middle class people who have not much of the staying power of the landed classes. The Government are looking with unconcern on their agony. If the Government would only consult their own interests, they cannot but go to the rescue of the coir yarn producer, examine his case, ascertain the reason why this slump has happened and discover the method by which he can tide over this adversity. Expenditure of even a lakh of rupees on the organisation of a Commercial Department, with trade agents in the different commercial centres will be more than justified by the increased customs revenue and prosperity to the people. I would therefore invite the immediate attention of the Government to this important matter.

Allied to this question of commercial development is the problem of making cheap credit available in the country. For the development of our commerce and industries, the availability of cheap credit and sufficient capital is a *sine qua non*. The prevailing rate of interest in the country being very high, the trader and the producer find very little margin of profit left after paying high rates of interest to their bankers and *hundi* merchants. The tardily moving State-aided Bank may not be able to do anything more than touch the fringe of the question. Since the depositor demands high rates of interest for his money, the indigenous banking institutions feel helpless in the matter. The Government have deposited a very large portion of the people's money with foreign banks and have not cared to stipulate that any portion of this vast sum should be made available to the people of the country. Foreign capitalists draw this money at very low rates of interest from these banks and exploit the country to the lasting detriment of the people. The Imperial Bank and other banks with which the Government have deposited these vast sums are reluctant to advance money to the people of the country. It would appear that our own money is deposited in the banks for the benefit of the foreign capitalist, while our trade and industries are dragging on a precarious existence owing to exorbitant rates of interest demanded by the indigenous money-lender. There is no reason whatsoever why this money should not be made available to

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our industries and commerce. The Government might very well stipulate with these banks that a fair proportion of these deposits must be lent to the indigenous borrowers on satisfactory security.

I understand that an attempt is being made by some zealous workers on co-operation to organise a land mortgage bank on co-operative lines. I am aware that in almost all European countries land mortgage banks are established and are being worked to the great benefit of the people. In Mysore, a committee sat upon this question and has lately sent up their report recommending the establishment of such banks. I do not find any reason why the system should not succeed in Travancore. I should rather think that the system would eminently suit the habits and genius of the people of this State. I have therefore no hesitation in recommending these efforts to the sympathetic consideration of the Government.

I cannot conclude my observations without speaking a word or two about the Excise administration. I must first refer to the time taken by the Government in passing final orders on the report submitted by the Excise Committee last year. If the Government still adhere to the abkari policy declared by them on several previous occasions, it is difficult to understand the reason why they take such a long time in passing orders on the Excise Committee and initiating the long-expected reform to ensure prohibition in the course of a number of years. We find from the budget figures, that an increase of abkari revenue is estimated for the next year. The Government declared that the abkari revenue was tainted and it is surprising that they are prepared to take in more and more of this tainted revenue. Under such circumstances, the sincerity of the protestations of the Government in this direction may well be douted, and I hope that the Government will pass orders at an early date to remove possible misunderstandings.

MR. X. G. LOPEZ (*Nominated*) : The Financial Secretary's statement before the House is a very good one indeed from a mathematical point of view and he has spared no pains to work out a surplus budget. But one looks in vain to discover any statement of broad administrative policy which will advance the welfare of the people. As usual, salaries and allowances amount to a large figure. The total amount for original public works such as roads and communications is only Rs. 7,62,689 for incomplete and new works together, out of a total expenditure of Rs. 30 lakhs. Even in the distribution of this small sum of money, the claims of Trivandrum Division have failed to receive due recognition, the amounts allotted for that Division both for incomplete and new works being only Rs. 66,095. I am not at all for stinting the allotments for Quilon and Kottayam Divisions. On the other hand, those allotments may be increased. But the demand I make is that a large sum of money may be devoted for the improvement and construction of works under communications in the Trivandrum Division also. The amount proposed to be spent on irrigation in the taluks of Neyyattinkara, Trivandrum, Neduvangad and Chirayinkil is only Rs. 31,875 for the year 1102. This means that the Government are not sufficiently solicitous

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to help the agriculturists who form the backbone of the population and also form the most important section of the tax payers. I wish that this state of affairs will soon be rectified.

The difficulty to obtain land is a chronic evil under which the Catholic population of South Travancore, especially those on the sea coast, is labouring. Perpetual labour, constant danger and permanent starvation form the staple of the sea-coast Christian's regimen. Living as they do in barren sea-coasts their wives and children are unable to supplement the income of the family by their exertions. Sir, it is very sad to recollect that these people have not an inch of land which they might call their own. They are obliged to carry their houses on their backs as the proverb goes and they are often driven away from the land on which they are born and brought up. I do not propose to dwell on the subject in any detail. The officers of Government like the Director of Agriculture and Fisheries and the Land Revenue Commissioner will be able to testify to the sufferings of these poor people and my non-official friends do know that what I say is the truth and the whole truth of the matter. May I therefore request the Government to come to the rescue of these unfortunate class of people, the most loyal and law-abiding subjects of Her Highness the Maha Rani Regent, by issuing orders to assign to them all available *puduvals* and *porambokes* near the sea-coast. It is the minimum that I ask on behalf of these poor people. In this connection, I may also request the Government to direct the Department of Agriculture and Fisheries to encourage the fishing industry by all means in their power. A few fish-curing yards and a number of officials are not enough. The prosperity of the fishing classes will depend as much on the sympathy of the Director of Agriculture and Fisheries as upon the men and money they command in the great work of encouraging the industry. Let me add that the industrial regeneration of a country cannot be accomplished if the work is done in a compartmental system. I am sorry to say that there is no real co-ordination of the work of the Department of Industries, the Department of Agriculture and Fisheries and the Department of Co-operative Societies. The Economic Deve'opment Board is not doing much useful work. The Board meets only four times a year. I fear that the money spent upon it is not of any advantage to the tax-payer. A consistent policy is essential to industrial expansion and the Board must meet once a fortnight if not once a week if any real benefit is to be anticipated. That the Government proposed to associate non-officials in the administrative work of certain departments is clear from the creation of the Medical Board. If a Board consisting of officials and a non-official is necessary efficiently to manage the work of a single department, a similar Board is all the more necessary when the parallel work of several departments calls loudly for co-ordination. I would respectfully suggest, for the kind consideration of the Government, that the present Economic Development Board whose term terminates this month be abolished and that an

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Administrative Board be at once created so that they may enter upon their duties from the beginning of next year.

Before I close, I beg permission to put in a word regarding the encouragement to be given to the sea-coast Christians in the matter of education in respect of fee-concessions and stipends. There is no English school on the sea-coast in any place between Trivandrum and Cape Comorin. That is also a matter which I will press on the kind attention of the Government and closely allied to this is the necessity to afford opportunities to the sea-coast Christians for service in public capacities under the Government. Communal representation may not be a sound principle in State action. But when other communities who are better off are anxious to protect their rights and advance their interests, the poor sea-coast Christians have abundant claim for legitimate encouragement in that direction. With these few words, I resume my seat.

MR. G. RAMAN MENON (*Mavelikara* cum *Kartikapalli*): Mr. President, I am not one of those who think that the financial position of the Travancore Government is gloomy. I have not said so. But I have stated and tried to prove in my budget speech in 1100, that the financial administration of the State is unsatisfactory from the point of view of the people and when judged by well-recognised political and scientific principles. I am still of the same opinion though the Administration Report for 1100 shows a balance of about Rs. 10·25 lakhs and the revised estimate for 1101, a balance of about Rs. 17·40 lakhs. I have no fear that the Government will in the near future find it difficult to get the revenues necessary for the legitimate expenses of the State. What I want to point out is that the Government are not spending the moneys they collect in a satisfactory manner for improving the life of the common people and that the burden of taxation is not justly distributed on different sections of the people. As an example of the uneven pressure of taxation, I refer to the different lots of the cocoanut cultivator and the rubber cultivator. Cocoanut cultivation at present is, in several parts of the country, in its dotage owing to diseases of cocoanut trees and the depletion of the soil by continued cultivation of the same crop for a long period. But rubber cultivation has been yielding at least 5 or 6 times the profit derivable from cocoanut cultivation. It is said that rubber cultivation is in its infancy in this State. Of course, we need not and should not levy any special tax on infant rubber trees. But I have to point out that it will be just and beneficial to impose a tax on rubber exported from the State or on rubber trees which are being tapped for rubber. The cocoanut cultivator in the dotage of his industry is made to bear a special burden in the shape of a tree tax and export duties on the products of his cultivation. It is only fair that the rubber cultivator in the vigour of his industry now rolling in wealth should be made to bear some special tax. It seems to me that a fair export duty alone will be sufficient on rubber. I am against tree taxes of all kinds under modern conditions. A fair land tax and export duty on the important commercial products of agriculture will be the better ways of taxing agriculture than imposing tree taxes.

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[Mr. G. Raman Menon.]

The expenditure of the State finances is even more unsatisfactory. The vital needs for improving the means of livelihood of the generality of the people are neglected and money is spent on the multiplication of Government appointments and other means of securing luxuries for the few. There were times when even the officials became rather downcast in regard to the financial outlook of the State, namely, during the great world war and for some years after it. Even in 1100, the financial sky was over-cast with clouds. If I am not mistaken, Mr. George had great difficulties in presenting a fairly hopeful budget for 1101. We had not, at that time, sufficiently recovered from the after effects of the war. But matters have now improved even beyond official expectations. This year Mr. Nilakanta Pillai was quite exuberant when he presented the budget for 1102. The surplus of about Rs. 10 lakhs for 1100, and about Rs. 14 lakhs for 1101, even after deducting certain items of expenditure incurred before is a sufficient tonic to all of us. Nevertheless, the officials have a tendency sometimes to suggest that the financial outlook is gloomy. This generally happens when the non-officials press for expenditure which they consider to be urgent, say, for providing cart roads or bridges or irrigation and drainage channels or for increasing the pay of some low-paid Government servants such as the Primary School teachers. But this does not generally prevent the Government from increasing the pay of high-paid officials or creating highly paid new appointments or embarking on large schemes which are to the advantage of big capitalists or are suggested by those in authority. On the other hand, the non-officials have a tendency to throw cold water on the showy schemes of the Government by utilising the dark clouds in the financial sky and to adopt the bright financial picture drawn by officials to suit other occasions, if expenditure for ameliorating the condition of the people is being pressed on the Government by non-officials. This interchange of positions of the officials and the non-officials is rather amusing. But it is very natural under the circumstances. By establishing an effective sympathy and co-operation between the officials and the people, this state of affairs can be changed and both officials and non-officials can be helped to deal with public questions in a scientific manner. The powers of the non-official members of this Council for controlling the policy and measures and the actual working of the Government are indeed very small. At best, the non-official members can only exert a moral influence on these important matters deeply affecting the interests and well-being of the people whom they represent. So my chief endeavour in this speech will be to supply facts and arguments for remedying what appear to me to be defects in the financial and other administration of the State so as to morally influence the authorities who have all power in their hands. Last year, I quoted certain general principles of sound financial administration from Gladstone and made an attempt to apply them to the facts of Travancore administration. The principles have not been assailed by any one on the official or the non-official side. On the other hand, they were

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warmly approved of by several of the members publicly and privately. But I believe that we have been only paying lip-homage to those principles. This is not enough. The proof of the pudding is in the eating of it. In the same way, the principles of State finance become useful to us only when they are applied to the facts and conditions of our country in a fairly correct manner. At present, I shall not take up much time with the enunciation of principles, but shall plunge straight into the subject of application.

It is a well recognised political and financial principle that no more taxes should be imposed on the people than what is necessary. All civilised Governments therefore reduce taxation if they find that there will be a considerable excess of income over expenditure. The Travancore Government found, as is proved by the Administration Report for 1100, that the income of the State for 1100 is greater than the expenditure of the State for the same year by about Rs. 10 lakhs. It is found that the increase of income is normal under most of the items. The surplus for 1101 is about Rs. 17·4 lakhs. I should like to know what prevents the Government from lightening the taxation of the people by seven or eight lakhs of rupees at least for a few years. When the legitimate expenditure increases, the Government need have no scruples in increasing taxation. It is well-known that the common agriculturists who form the vast majority of the people and the real support of the State in all essential matters have been hard hit by bad seasons, floods, etc. It will be a wise, beneficial and benevolent measure for the Government to reduce the land tax, say, by 2 annas in the rupee, at least as a temporary measure for two or three years. Of course, if it is found in future years that the income of the State is not sufficient to meet the legitimate expenditure and that there are no less onerous ways of taxing the people, the proposed remission of the land tax may be cancelled. It is seldom that a Government in these days finds itself in the fortunate position of being able to remit taxation. So this golden opportunity should not be neglected. The omission on the part of the Government to grant such legitimate remissions of tax when that can justly and safely be done is due to want of practical sympathy and co-operation between the high officers of the Government and the people. My desire is to establish such effective sympathy and co-operation by all available methods and to bring about its natural and beneficial consequences.

I am sorry to find that Government officials generally know very little about the real condition of the people and about the relevant facts for shaping the policy of the Government. They often draw misleading analogies and follow vague generalisations. By acting on the strength of these in shaping the policies of the State, the State is often involved in great difficulties. Necessary works for the amelioration of the economic condition of the people are more often than not postponed in favour of showy and high-sounding schemes such as construction of High School buildings costing over a lakh of rupees or even five or six lakhs of rupees, railway surveys before settling how to finance the railways, harbour schemes, etc. This is due to want of sympathy and co-operation between the high officials and the people. This is the perennial

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source of all defects in the Government and all the corresponding dissatisfaction on the part of the people towards the Government. I shall give some examples about the unsatisfactory condition of the official mind with regard to the actual conditions of the people and the land. A few years ago, a member of this Council asked the Government whether they were aware of the fact that a large number of cocoanut trees had fallen and much damage done to the lands on both sides of the Chavara canal by erosion of the banks caused by the frequent passage of motor boats and steam launches. The Government replied that they were not. Most of the men and women of the State who have any interest in public affairs are aware of the fact above referred to. Is it not therefore regrettable that the Government whose duty it is to enquire about such matters and to adopt remedial measures were unaware of the fact?

Some officials appear to be under the impression that the unemployment and poverty prevailing among a large section of the people and the sufferings of the people generally are not to any considerable extent due to defects in the Government or corruption among Government servants or to such other political causes. They sometimes say that the economic condition of the people has improved and when facts and figures contradict them, they attribute the hardships to over-population of the State. Some officials have gone to the length of saying that Travancore is more densely peopled than England. The mistakes about relevant facts involved in such a supposition are really regrettable. On page 4 of the Travancore Census Report for 1921, the density of population for Travancore is shown as 525 per square mile, that of Belgium as 666 per square mile and that of England and Wales as 649 per square mile. It is quite clear from these figures that Travancore is not in the ordinary sense more densely populated than England or Belgium. But the officials appear to have performed a curious calculation to make out the contrary.

MR. KAYYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Does the member include the forest area or only the inhabited area?

MR. G. RAMAN MENON (*Mavelikara* cum *Kartikapalli*): I will come to that.

They say that the inhabited portion of Travancore is only about 2,500 square miles, and dividing the total population of 40 lakhs and odd by this figure, the density of population in Travancore is stated to be over 1,000 per square mile. Several logical mistakes in regard to relevant facts are involved in such a calculation. In the first place, in considering the density of population in relation to unemployment or means of obtaining a livelihood, it is not the area of permanent habitation that is to be taken into account, but the area which supplies the means of livelihood to any of the people. It is admitted on all hands that even the forests reserved by the Government in Travancore, the area of which is about 2,400 square miles, supply a means of livelihood

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to a considerable number of people, *viz.*, the employés of the Forest Department and the contractors, labourers, etc. Further, it is a fact that a considerable portion of the population *viz.*, the hill tribes of this State, actually live in these forests and earn a living there. It is therefore clearly a mistake to calculate the density of population for economic purposes in Travancore as over 1,000 per square mile. Secondly, the inference that Travancore is more densely populated than England is faulty for other reasons also. In taking the density of population of England and Wales as 649 per square mile, the areas of those countries which are uncultivable owing to the nature of the soil or the exposure to the inclemency of the weather and the large hunting grounds, etc., of nobles and other rich men, which are not cultivated in the ordinary sense and do not therefore yield any considerable means of livelihood to the people, are not excluded. It is therefore a mistake for purposes of comparison with England to calculate the density of population of Travancore on the basis of an area of 2,500 square miles for the latter. The whole area of Travancore, *viz.*, 7,625 square miles, should be included or the areas of England and Wales which are not yielding any considerable means of livelihood to the people should be excluded. The Travancore officials referred to did not do either of these things. So their inference that Travancore is more densely peopled than England is quite unsound, nearly as unsound as to say that England is over 500 times more densely peopled than Travancore because London contains over 7 million inhabitants whereas the whole of Travancore with over 500 times the area of London contains only about 4 million inhabitants. Comparisons should be based on proper data. Otherwise, they are quite worthless.

Thirdly, the capacity of the soil of England for yielding a livelihood to the people there differs very greatly from the capacity of the soil of Travancore to yield a living to the people here owing to the differences in climate and the needs of the people in the two countries Another obsession that some officials appear to be labouring under is that railways, harbours, etc., are the things urgently needed at present to develop the resources of the country to improve the economic condition of the people generally. If we closely examine the matter, it will be found that railways and harbours by themselves will not improve the condition of the people generally. It will be more in accordance with facts to say that railways and harbours can flourish only when the agricultural and industrial development of the country has progressed to a considerable extent on modern lines. There seems to be an impression among high officials that in the midlands of Travancore every inch of ground is cultivated. This is probably due to the fact that officials generally travel by motor cars, and their minds are too much preoccupied with other things to distinguish between wild plants and those cultivated on the low hills which they pass by. But one who travels on foot or in a bullock cart and has some knowledge of the land and its cultivation can very easily find that large areas even in the midlands are left uncultivated. For example, Mavelikara, Kunnattur and Kottarakara taluks form part of the midlands and not the

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uplands and there are large areas in these taluks which are not cultivated. Even in Karunagapalli taluk which froms part of the lowlands, there are considerable uncultivated areas. Some of these areas in these taluks are left uncultivated owing to want of irrigation in dry weather. But a larger portion is left uncultivated because they have been registered in large blocks by big officials and speculators.

These examples are intimately connected with my main subject. The Government should not depend mainly on officials for shaping their policies and administrative measures. The officials are not in sufficient sympathy with the people to be able to know the actual condition of the people or the most urgent needs of the people or the methods of ameliorating the condition of the people. So I request the Government to appoint a non-official adviser or minister to the Government at least for scrutinising all Government measures and offering suggestions to the Government from the point of view of the people. If such a minister is made responsible to the Legislative Council, he may be expected to give expression to the wishes of the people on all important subjects at the time when the knowledge will be serviceable to the Government. Under the present communal conditions of the country, it may be desirable to have two or three ministers belonging to different communities. If the professions made by Government officials to the effect that the object of the Government is the welfare of the people have any force in them, they ought at once to advise Her Highness the Maha Rani Regent to appoint such a minister or ministers. Unless some such thing is done, it seems to me that the representatives of the people will not be able to influence the Government to any appreciable extent in the real interests of the people The establishment of a proper sympathy and co-operation between the Government and the people in the manner suggested is urgently needed for the satisfactory financial administration of the State as well as in other fields of Government activity. The unnecessary loss of time and energy and the difficulties and strained relations between the officials and the people brought about by the passing of the Newspapers Regulation is another example of the very serious evils caused by the absence of effective sympathy and co-operation between the high officials of Government and the people. I merely refer to this very important question, but refrain from dealing with it at length, as another occasion may arise for dealing with it. Suffice it to say that the matter of the Newspapers Regulation is a crowning example of the evils arising from the lack of ways and means for effective sympathy and co-operation between the people and the high officials of Government.

PRESIDENT: Your time is up.

MR. P. HABEEB MAHOMED (*Nominated*): Sir, in passing certain remarks on the Financial Secretary's statements, I do not wish to go into the details of the budget. I shall confine myself to a few observations on some of the prominent features of the budget estimate and

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the finance of the country, leaving the criticism of technicalities and details to the more experienced members of the House.

This year also we have a surplus budget. According to the revised estimate, we have a revenue of Rs. 217½ lakhs, while the expenditure will be only Rs. 200 lakhs, leaving a surplus of Rs. 17½ lakhs. I do not know whether it is a matter for congratulation or gratification. The estimated revenue for the current year is 211½ lakhs, while the approximate expenditure is Rs. 208 lakhs. Thus, as in last year, we expect a surplus of three and odd lakhs of rupees. The comparatively negligible fall in the revenue under license fees and duty on country liquor indicates that the temperance movement has not made any remarkable progress. I am inclined to think also that it is in a way an index of the poverty of the people, for as a rule, it is the poor people who cannot afford to have a full meal that go in for such intoxicants. Again, the fall in the income tax, though it is accounted for on the ground of the new Regulation, and the exemption of Edavagai lands from taxation, also indicates our economic backwardness in commerce and industry. While in the civilised countries of the west, income tax forms a very important part of the State revenue, in our own State finance, I need not point out how insignificant is the revenue derived under this head.

For the last two or three years, we were having a surplus budget. Now, what does this surplus budget signify? It means that the State is like a business-man, always trying to see that its income rises above expenditure. Surplus budgets should never be the *summum bonum* of a sound financial administration. It seems to me that those who attach undue importance to surplus budgets are in certain respects like the medieval statesmen who always aimed at a favourable balance of trade. I need not point out that those countries which strove for and obtained a favourable balance year after year had come to grief in the end. Although I do not press the analogy further, I beg to submit that the policy of surplus budgets is not always a safe one. The crux of the whole matter is that we should draw a distinction between private economy and public economy. In private life, although the principle "cut your coat according to your cloth" will hold good, it will be foolish to apply the same maxim in administration. In the latter, we often will have to reverse the maxim and purchase our cloth according to our requirements. If we get more than is necessary we will be guilty of extravagance. Similarly, in regard to State finances, it would not be wisdom to trench upon necessaries, but we should not on that account increase our expenditure on administration at the expense of the people even though the administration may be the soundest conceivable. The question therefore is whether we can run the administrative machinery efficiently and discharge our duty towards the governed with a lesser amount than now. Some may say that retrenchment will tell upon efficiency. In theory this will sound well. But I urge upon the attention of the Government that we are piling tax upon tax, and an ordinary peasant is groaning under the weight of taxation. It is high time that the Government turned their attention towards this aspect of the question.

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The fact remains that our revenue has been increasing from year to year. Does it show that our people are becoming more and more prosperous? Does it mean that the economic resources of the country are being developed and utilised more and more? I am not in a position to give a pleasant answer. It is too well known that poverty, unemployment, and consequent discontent are on the increase. Nevertheless, I am of opinion, Sir, that our country is one of the most resourceful and if our natural resources are fully exploited and utilised, there is no fear of starvation. I think that Travancore can fill the stomach of all her children provided they are enabled to develop the natural resources to their fullest extent. But it is well known too that our agricultural and industrial conditions are in the most primitive state. With all our elaborate departments for developing our economic resources, nothing tangible has been accomplished in this direction. I do not like to throw the blame on anybody, but nobody can deny the fact that the beneficial effects of such departments as Agriculture and Industries, have not yet begun to touch the peasant population who form the backbone of the country. With regard to the work of the Co-operative Department also, I have to say the same thing, namely, the people have not begun to reap the beneficial results. Our people are still as self-centred and mutually distrustful as they were and the spirit of co-operation has not taken any hold on them. It is doubtful also whether commercially we were in a more depressed condition. In this connection, I am glad that the long contemplated State-aided Bank is at last about to see the light of day. I cannot say it for certain whether it is going to improve our economic condition to any appreciable extent in the near future. Nevertheless, let us hope that it will be so conducted and managed as to be more useful to the rank and file of the people than to a few capitalists who generally control such institutions for their own exclusive advantage.

Before leaving this portion of my discussion regarding the general financial condition, I would like to touch upon the question of economy and retrenchment in administration. I have no hesitation in saying that the principles which have animated the framers of the budget are wholesome. But with all our undeveloped natural resources, the stupendous advance we have made in literary education, and other factors which we can point out with pride, the poverty of an average peasant is the most patent factor. Thousands of our people are living in a state of starvation or semi-starvation. The average income per head of the population is totally inadequate to keep body and soul together; hence in a country like ours economy and retrenchment should be steadily kept in mind. Every cash needlessly spent is wrung from penury and starvation and every chackram unnecessariiy spent is so much withdrawn from the scanty resources available for expenditure on the welfare of the people. The cry is constantly heard that our administration is top-heavy, that superior officers are overpaid and those on the lowest rung are hopelessly underpaid, and the corruption found among them has to be connived at even by a strict

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moralist. These show that, with the enormous growth of our expenditure every year, we have not succeeded in running the administrative machinery on sound and healthy lines. Hence to keep a watchful eye on the growth of expenditure is a matter of great political importance. It is the look out of the Government as much as the people's, that the cost of administration is not out of proportion to the resources available. But at the same time, no expenditure should be grudged on measures calculated to develop the natural resources of the country and this will in course of time have its own natural reaction on the State coffers. The next duty of the Government should be to improve the lot of the subordinate services which are paid at miserably low rates. Unless their lot is improved before long by giving them at least a living wage, all-round corruption and inefficiency will be the natural result. It is also the duty of the Government, as far as it lies in their power, to solve the problem of unemployment, by affording facility for the steady and energetic exertion of the talents and intelligence of educated young men, for their own as well as for the country's welfare.

Before concluding, I wish to express a few words in the interests of the community which I have the privilege to represent here. This community, as is well known, is every year filling a considerable portion of the State coffers. This fact has been frankly recognised by His Highness the late lamented Maha Raja, when he was pleased to remark in reply to an address presented by the Mahomedans of Alleppey on the 21st April 1915, thus: "As merchants, traders and land-owners, the Mahomedans have contributed materially to the wealth of the country. I am confident of their continued loyalty to me and to my Government." Ever since that time, the question of affording special facilities to Mahomedans in education and giving them certain preferential treatment in the matter of admission to public service has engaged the attention of the Government. Though certain special facilities are provided for Arabic teaching, they are far from satisfactory. The tardy and half-hearted way in which Government try to meet the demands of the Muslims often fails to produce the desired effect. As an instance, I shall refer to the question of the appointment of an Arabic teacher for the college classes. This is a long-felt need, and I hope the Government will pay proper heed to the prayer of the Muslims in this respect. It is well-known that there are very few other communities who are so readily susceptible to the influence of education as Mahomedans. In those parts of the country where they have received any education they form one of the most law-abiding and peaceful subjects.

But even more important than facilities in education is the question of employment of Mahomedans in public service. These are the days when every community is urging upon the attention of the Government their own respective claims. It will certainly be a great injustice done to the country as a whole, if Mahomedans are denied their right to participate in the Government of Her Highness the Maha Rani Regent. There are several circulars and orders conferring special treatment to such communities as Mahomedans, Ezhavas and others. But so far as we are concerned, these circulars and orders are honoured by the authorities more in

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their breach than in their observance. Indeed from the experiences of the past few years, it has been brought home to the community that all this talk about preferential treatment is a mere show, and we are at times even led to think that some officers believe that the claim of such a voiceless and inarticulate community as the Mahomedan community can be easily ignored. As it has been shown only too well that there is a great divergence between the professions and practices of Government officers, we now ask for bare justice and fair play. The Mahomedans contribute a fair share towards the State revenue, but are shut out from posts connected with the administration. We are asked to share the burden, but are denied the right to participate in the administration. Even for small appointments, a Mahomedan has to labour under innumerable difficulties. Communal bias plays a prominent part with several officers having appointing powers; and a Mahomedan applicant for a post cannot even get easy access to the *sanctum sanctorum* of a high officer to represent his claims before him. Mahomedans have no godfathers among Government officers and each individual Mahomedan has to work out his own salvation. Those who have got power can forge different weapons in the shape of rules, and bye-laws, with a view to check the rush for Government posts, and the Mahomedans who have entered the field very late are to suffer most by them. I do not wish to attribute the blame to any single individual. I simply set forth the facts as they exist now, and give expression to the feelings and sentiments of the Muslims of the State as a whole. This state of affairs cannot continue long; and I hope and pray that the Government of Her Highness the Maha Rani Regent may pay as much attention as they deserve in the matter of education and representation in public service.

MR. K. C. MAMMEN MAPPILLAI (*Commerce and Industry, North*): Sir, I have great pleasure in congratulating the Government on the prosperity budget that has been presented to us. It is a source of great gratification, Sir, that the very first budget that the present Financial Secretary was able to present before us is so encouraging.

MR. C. P. TARAKAN (*Kunnatnad*): Louder, please.

MR. K. C. MAMMEN MAPPILLAI (*Commerce and Industry, North*): And I only hope that it is only a harbinger of still better ones in store for him and for all of us. If things had gone wrong and our finances had been upside down, no doubt, the critics of the Government would have come down upon the Dewan and the Financial Secretary and would have ascribed the whole blame to them. It is therefore only right that we should congratulate the head of the administration and the head of the Financial Department and all those connected with the preparation of the budget. On such an occasion, in offering general criticisms on the budget we are given sufficient latitude to roam over the whole field of the administration. Under such circumstances one is tempted like my friend Mr. Raman Menon to read lectures to Government officers and tell them how much better we could have done

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things if we had control over the various departments. I had myself such delusions and had my own schemes in my early days as to how each department could be run better. But as I have grown older and sadder, if not wiser too, I realise better the difficulties that lie in the way of persons who have to run the Government. So I shall not be tempted like Mr. Raman Menon to advance any startling innovations.

Now many of my friends have gone into the details of the budget and pointed out the salient features of the various departments during the year. I shall not therefore go over the ground again, but shall take this opportunity of pressing upon the attention of the Government some views which I am never tired of advocating.

I availed myself of the opportunity when I first became a member of the Sri Mulam Popular Assembly years ago to insist that there should be greater encouragement and direct financial help from the Government in the matter of the industrial development of the country. That was a time when ideas of Government help to industries was pooh-poohed. There was the famous dictum of Lord Morley and others that it was not at all for the Government to interfere in these matters. Now we know how much water has flowed under the bridge since these *ex cathedra* views of individual statesmen were uttered and enforced. Throughout the world, particularly in India, Governments have been taking a very increasing share in the development of the economic resources of the country. There was a time when the main function of the Government was supposed to be to run the routine administration of the country. But if we look into the condition of the western ucontries like England and America, we find that the most important function of the Government there is to utilise all the resources of the country, to help the people to increase its wealth whether in the industrial, commercial or agricultural or other fields. All the resources of the Government, military, finance, diplomatic, etc., are placed at the disposal of the people for this purpose. Concessions for exploiting the resources of undeveloped tropical countries are secured for the nationals of each country and backed up by the whole might of each country. Now what is it that we are doing? We are still groping our way. No doubt, we have got the Agricultural Department, Industrial Department and the Co-operative Department and I am the last person to deny that, during the last few years, with the limited resources placed at the disposal of the Heads of these Departments, they have been doing remarkably well in a country like ours. What I submit is that, with the resources of Travancore, seeing how other countries in India have been groaning under a deficit, we have an imperative duty to do much more than we have hitherto done in this direction. I think it is the Punjab Government that borrowed nearly a crore of rupees for financing the industrial and economic activities of the people. We have got other provincial Governments also, including the Presidency of Madras, taking a very active interest in the development of the economic resources of the country. It is a happy coincidence and a very great privilege that we have the Minister responsible for that

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department gracing our Council on this occasion. We have been watching and admiring what he has been doing for the economic development of the Madras Presidency and it will be a good thing for us if this Government also will follow in the foot-steps of the Madras Development Department. I may refer briefly to what has been done in England. We know that the Government in England invested a million pounds in the Anglo-Persian Oil Company and another million pounds in the British dye industry and again a million pounds and perhaps more than that in the beet sugar industry. Though the people there possess enormous resources and though England enjoys probably the most highly developed system of Banking, Government placed enormous funds at the disposal of exporters and also lent huge sums of money to foreign countries like Austria-Hungary, and also to Australia and other British colonies provided they placed their orders for goods with the merchants in England. They have introduced only recently a new scheme called the Export Insurance Scheme by which the merchants are given a guarantee that if they give their goods on credit to foreign countries and eventually if they are unable to recover any part of the money the Government would recoup their losses. In hundreds of other ways the Government is directly or indirectly helping trade industry in these highly developed countries. If even in such countries this is done, how much more should it be the case in India, especially in Travancore? Ours is a small country and its people are highly educated and hence there should not be any difficulty for the Government to devise means and opportunities for taking a more active part in this most important line of work. One particular direction in which I would request the Government to take some steps is the organisation of Land Mortgage Banks. The great majority of our people as in the rest of India are agriculturists and there is no necessity for me to repeat what has been admitted that they are steeped in debt. Because of their financial difficulties they are not able to carry on their cultivation properly. Dr. Kunjan Pillai may go on preaching and preaching about intensive cultivation and improved methods of agriculture, but almost 99 per cent. of the people cannot afford to do so. The Government therefore should devise some methods by which the ryots may be relieved of their indebtedness. It is now found by experience that for the condition of India Land Mortgage Banks are the very best that can be devised. There is a proposal that the Co-operative Department should be enabled to start such a bank, but I have been reading some adverse views about this matter. I think in the Panjab the Co-operative Department is running Land Mortgage Banks. But some authorities are of opinion that the short-term credit of co-operative banks is inconsistent with the long-term credit that will be expected of Land Mortgage Banks. Therefore it is better that a separate organisation is created with the assistance of the Government. There is a suggestion put forward by a writer in the *Pioneer* which deserves our attention. He says first of all:

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"To inspire confidence in the ryot population, the Government would have to subscribe for about 50 per cent. of the share and debenture bonds (to be made over to the private agencies later on when conditions become more favourable for the banks). Secondly, a Government guarantee of interest on debenture bonds is necessary to attract an adequate amount of capital for investment in this new line of securities in India. To further help this end, it would be necessary for the Government to treat debenture bonds as negotiable instruments, so that a portion of public funds and trust funds might be invested in the bonds. The maximum working capital would also have to be fixed by legislation. Summary powers of foreclosure of debts and judicial powers for hearing suits filed by the Land Mortgage Banks, would have to be vested in the Registrar of Land Mortgage Banks. Certain sections of the Transfer of Property Act and the Civil Procedure Code would as a corollary have to be amended. Lastly, the jumbling up of the credit work now being done by the ordinary co-operative societies and the special long-term loans on the land mortgage, would lead to many an administrative difficulty and consequent confusion."

Therefore, the two should be kept separate. Anyhow, it is high time that a small expert committee is appointed to find out what is being done by the rest of the world, particularly by other provinces in India. I think that the Director of Industries has got a large volume of literature on the subject. It ought not to be difficult for the Director of Agriculture and the Director of Industries to give the Government all required assistance. Something should be done in this direction and that without any delay. I shall never be tired of insisting upon this unless and until I find there is no necessity for such insistance.

In the second place, I would invite the attention of the Government to the necessity of Government themselves taking in hand some big schemes as the Mysore Government have done *e. g.*, generating electricity from the Sivasamudram falls. They have got also the iron industry. The Government themselves have started these and other big schemes. Similarly, it will be worth while for the Government to consider whether there are not promising schemes here which could be taken up and worked by the Government both as an example and as an incentive and as a source of revenue if only our Rulers possessed the views and farsightedness of Dewans like Sir Seshadri Aiyar in Mysore. There is the Adirapalli scheme which has been investigated; the late Dewan Mr. Raghaviah was for a time very keen on it. But that enthusiasm was sporadic and short-lived and with the first encounter with obstacles, it was as usual dropped. Again, it is admitted on all hands that for industrial development, electricity is very necessary. The Madras Government are going to generate electricity at their own cost and make it a State concern. I have been enquiring about this matter and I find it would be one of the most profitable and feasible schemes in the whole of Southern India.

In Travancore, there is a big waterfall in the upper reaches of the Periyar river and an engineer who has gone over those parts and investigated the scheme for his own edification once discussed with me about it very minutely. He convinced me that there was great possibility of producing cheap electricity from this fall. The height of the fall at Perumpamkutti is apparently negligible. But the Engineer in question assured me that the water held up in the lake could be taken along the crest of high hills for a distance of about 10 or 15 miles and

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then made to flow back into the bed of the Periyar itself from a height of nearly 1,000 feet. If this description is found to be correct, it will be admitted that this is one of the most feasible and promising schemes we can think of in this country. The cost of producing electricity then ought to be comparatively very low and we could find an immediate and profitable outlet for it by selling it at an attractively low cost to the South Indian Railway, to the Cochin Harbour and to the existing factories in Cochin and Alleppey and the rubber and tea estates in Travancore. This waterfall is locally known as the Perumpamkutti fall. The main Periyar river receives the water of more than 1000 square miles of catchment area (the contrast will be apparent when I say that the Kallar river gets the waters of only about 100 sq. miles of catchment area). All this water has to pass through a narrow gorge at Perumpamkutti On three sides of this place, you have lofty precipitous hills so that if the fourth side is bunded up you get a vast artificial lake in which all the water which flows through the river during the rainy season and is washed into the Arabian sea and which had been compared in its volume to the Niagra falls may be stored up. The proposed new railway in Travancore could also be worked by means of electricity. In course of time, new industries would spring up all over the country. I am sure the prospect is sufficiently attractive for the Government to depute the Industrial Engineer who is a trained and competent electrician to investigate the scheme and submit concrete proposals for its utilisation.

It is a great pity that the Government are not directing their attention to such matters. There are several big schemes. I have referred to the Adirapalli scheme. I have referred to the generation of electricity. I do not see the reason why the Government should not use its resources and its organisation to take up some of these schemes. Of course, if they are found to be successful they might, later on, hand them over to the people, if they think that necessary.

Another subject, about which I have often been speaking at very great length is the need for communications in Travancore. There have been complaints about communications from all parts of the country. We, from the north thought that there would be no complaint about paucity of communications, from the people of Trivandrum and Nagercoil. Now there is my friend Mr. Lopez coming and complaining that Trivandrum is a very badly-treated district in that respect. So, if Trivandrum and South Travancore are complaining of paucity of communications you can realise the nature of the complaint from the people of North and Central Travancore. What I would suggest in this matter is that a Roads Board should be started and should be asked to go into the matter of the construction of new roads and the proper maintenance of the existing roads. Roads should be divided into different classes such as main trunk roads and branch roads. The trunk roads should be maintained by the Government and the other smaller roads might be constructed and maintained partly by the Government and partly by the people. A regular programme should be framed and it should be stuck to as far as possible. If that is done, the difficulty about communications would be very considerably minimised.

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PRESIDENT : I would draw your attention to the time.

MR. K. C. MAMMEN MAPPILLAI (*Commerce and Industry, North*) : I wanted to speak at length on several other important subjects; but, since it is time, I do not want to continue any longer.

MR. A. K. PILLAI (*Karunagapalli*) : Sir, I must confess, at the very outset, that it is with a good deal of diffidence and dismay that I rise to speak to-day. When I, in virtue of my position as a member of this Council, feel obliged to take stock of the situation, at the end of a year and at the beginning of another, I wish I were able to congratulate the Government on the glory of their achievements and to entertain for myself and for my country the feeling that there is still brighter prospect in store. But, Sir, I must confess that I do not find it possible to do either. Mr. Mammen Mappillai has been speaking about electrical schemes. But, here, I may say that, at the cost of a few rupees, the Government have been able to produce a good deal of electricity and heat in the country by printing and publishing the Newspapers Regulation. I do not want to refer to that subject at length. I only want to say that this matter is a standing grievance in the hearts of the people. If this House had been considered to be a really effective popular assembly where the voices of the people have to be respected by the Government, then no Government would have dared to come forward to ask for supplies when this Newspapers Regulation is hanging over the head of the people. Sir, you must forgive me if I have annoyed you; but I cannot help expressing the deep sorrow that I feel at this most irresponsible action on the part of the Government. I do not want to deal at length with that subject. I will straightaway proceed to more prosaic matters.

We find from the speech of the Financial Secretary that there is a good deal of surplus. But I suppose the actuals will be still more. For, we are not in a position to place any great value upon these figures, because we find that there is a great deal of disparity between the estimates and the actuals. I do not think that these estimates are being made on any scientific basis. In 1100, they expected to have only Rs. 4 lakhs and they actually got Rs. 10 lakhs. This year they were expecting to have only Rs. 3½ lakhs, while they actually got Rs. 17½ lakhs.. I think even old women can calculate like this. (*Laughter.*) It does not befit a scientific brain to give such vague generalisations in the beginning of every year, creating such large disparities at the end. I say this only to bring home to the Government the fact that I can expect next year a larger surplus than even this year. I must wholeheartedly support the suggestion made by my esteemed friend Mr. G. Raman Menon, that it is always the duty of the Government to remit taxes whenever it is possible. In this connection, I am glad to draw the attention of the Government to the statement made by Sir Basil Blackett, not exactly because I feel very much inspired by his authority, but because I know that the Government place a good deal of value on his words. In announcing last year's remission of taxation, the Honourable the Finance Member of the Government of India said:

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"In view of the present satisfactory situation, it is the opinion of the Government of India that it is neither desirable nor good financial policy to continue levying taxes at the present rates yielding such large recurring surpluses as have been realised during the last four years. It is true that our expenditure is necessarily increasing with the increasing development of the country, and some of our present sources of revenue do not show much sign of elasticity. But, for the present, our receipts are in excess of our needs and, even should it be necessary some years hence to seek means of increasing the revenue, we hold we are not justified in continuing taxation at its present level during the interval which we trust may be prolonged."

Each one of the sentences which I have just now quoted can be applied well to our own case. For the last four years, we have been having large recurring surpluses and yet the Government have not thought it necessary or desirable to remit any of the taxes. I have been told by my friend Mr. Kumara Pillai that it is not possible for the Government to remit any tax before the next settlement. I am not speaking about the reduction of two annas in every rupee. The Government may remit taxes in some other way. They may leave off some of the sources of their revenue. One of the chief sources of their income is the excise revenue. Even disregarding the immorality of their trade in that matter, cannot they, taking into account this large recurring surplus, give up some part of their excise trade by adopting the policy of local option in certain places? But, what is it that they have done last year instead of this? The excise revenue was only Rs. 45,57,000 in 1101, but this year, it is Rs. 48,03,000. So, every year, we are increasing the revenue from that shameful trade. I feel very sorry to be a subject of the State and to be a member of this Legislative Council which is supposed to help and guide the Government, when I find that one of the principal departments of the Government is allowed to carry on this shameful trade. Sir, one of our chief ministers has been going from one part of the country to another, as a trusted agent of the Government, to encourage the people to bid for more and more in shop auctions, which means indirectly only to encourage the people to drink more and more just because the Government will be able to get some money out of it. Unless the people, thus encouraged by the Government and outrapped by the liquor venders are prepared to drink more and more, would the Government be able to get such surpluses? So the Government are expecting the people to drink more and more so that they may have such large recurring surpluses. Then may I ask, are there not other methods of raising money, if you are not concerned with the morality of the means that you adopt? Why not have another department to carry on houses of shame? That would be more profitable. I put this question in all earnestness though with a deep sense of shame on the fact that money seems to be the only consideration that weighs with the Government. Are we not concerned with the welfare of the people? Are you prepared to encourage the people in drinking more and more so that they may get mad and cut each other's throat? Is it not a disgrace that having caused this, you come here and demand more money for increasing the number of jails and for increasing the number of policemen? Is that the way in which the

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Government are helping the people? It is bad economy and bad logic. Any sensible man could see that it is hideous extravagance. You are getting *some* money for spending *more*. You say you want money for the education of the people. But why do you educate the people whom you expect to drink and to give back the money to you in another form? Sir, had it not been for this matter which I wanted to press on the notice of this House, I would not have stood up for the purpose of making a speech to-day. This disgraceful trade must be stopped. We are prepared to forego our education. We are prepared to pay more tax if only the Government would see that this trade, unsound in practice and immoral on principle, is stopped.

Mr. Mammen Mappillai has been very facile in his congratulations and in his expression of joy and satisfaction. I wish I had the same outlook as he has, and I hope that, when I too grow old, I shall have the same capacity. I wish I had the same facility to congratulate. But I must say that the Government do not deserve any congratulation at all. We have been asking for associating the people more and more with the Government and for taking the people more and more into their confidence. The members of this Council do not get any voice even in the limited sphere where it is expected that they should have some voice. We have no constitutional voice in the raising of the revenue or in the spending of it. We are here, as it were, to say 'Aye' to all their decrees. If we only turn to the pages of the budget, we find all substantial figures printed in italics, which show that we have no voice with regard to those items. Those items are understood to be non-votable The pay of a peon getting Rs. 12 per mensem is a votable item. But the salary of an officer drawing Rs. 500 per mensem is not votable. We have no voice upon his conduct. We can only say whether a particular peon is necessary or not. It is an open secret that the people are feeling a sense of inadequacy about the powers of the non-official members of the Legislative Council. But I say that even with this present limited power we could have done something if only Government would show greater regard to the privileges of the House. When we send questions, we get answers like "Disallowed. Rule 8 (*d*)". Rule 8 (*l*) refers to the asking for an expression of opinion and on that account, the question is disallowed. In fact, the question will not require an expression of opinion. For example, I sent questions asking for information, but I got the reply that it was a question for an expression of opinion. Thus, by a process of elimination, we come to the blessed position that we cannot have any effective interpellation made in the Council. Much less have we any constitutional voice in the doings of the Government. There is even direct flouting of the powers of the Council say, for example, by the passing of the Newspapers Regulation out of this House. I shall not refer to it lest I should annoy my friends on the other side of the House.

I do not want to prolong my speech. In fact, I did not want to make any speech whatever. I only wanted to raise my small and weak voice of protest against what the Government are doing. I know that

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my feeble voice will not have any effect whatever in directing their attention to this. But I hope that this will go deep into the hearts of my countrymen from where will rise a mightier voice which no Government will dare to defy. I hope the Government will have the sense to see where they go wrong and rectify them. I wish them god-speed.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*): From two or three speeches delivered in the course of the general discussion up to now, I observe that reference to the Newspapers Regulation is after all not so seriously prohibited.

PRESIDENT: Reference within certain limits is allowed. I will not have ruled any speech as out of order so long as it did not touch upon the legislative side of it, that is so long as it did not ask for a repeal or a modification or a reintroduction of fresh legislation. So long as it did not infringe upon these aspects of the question and so long as it kept within temperate limits, I permitted it.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*): Then, is it open to me to address the House within the limits of the President's order without refering to the legislative portion?

PRESIDENT: That is for me to judge. That will depend also on any remarks which may be made from time to time.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*): If I transgress the particular limits, then of course I may be checked.

PRESIDENT: I may point out to you Mr. Narayana Pillai that I see no harm in your making the reference. To me it is perfectly clear what the attitude of the House is. I invited discussion and gave every opportunity, I possibly could, to have the matter come up. I therefore had the whole thing put to the House and the House or the country speaking through the House responded to it in the manner that we have seen.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): May I know why the Government member opposed the adjournment motion?

PRESIDENT: For the simple reason that it was my intention to have that feeling tested lest the question go by default.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*): Mr. Tarakan's object was not to speak about the Regulation itself, but the situation created by the Regulation. That is entirely different from the Regulation. It may be that the member who wanted the adjournment thought that the Regulation was necessary or that it was not necessary. There was nothing to indicate what the member had to say.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*): May I know whether Mr. Narayana Pillai is raising a point of order or speaking?

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*): I am only just answering. (*Laughter.*) So that I may not be misunderstood by any of us, I do not want to take part in the discussion of this particular subject as it is. I am speaking in self-defence.

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PRESIDENT : I am afraid, Mr. Narayana Pillai, it is now too late to go into that matter. The matter was put to the vote.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha*) : Since I heard a reference to the Regulation being made, be it under specific limitations, I was just trying to clear a doubt whether others are also at liberty to refer to the Regulation to a limited extent. I now understand that you are amenable to that course.

PRESIDENT : I think you will have the opportunity to discuss it.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*) : May I know whether, when my token motion comes, I will have to speak within these limitations?

PRESIDENT : Let us not anticipate things.

Does any other member wish to speak on the budget?

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*) : Sir, I rise to make a few remarks by way of reply to the observations made by some of the members regarding the educational budget. My task has been somewhat simplified by the fact that no criticisms of a general kind relating to the Education Department of the State have been made. The criticisms that have been made were directed against some of the details of the administration of the department. One of the criticisms made by a member was to the effect that the Director of Education is unnecessary and that the salaries of the higher officers of the department are excessive.

With regard to the Directorship, a motion proposing the abolition of the post was moved in the last Budget Session, and the motion was debated and finally withdrawn. So I do not want to pass over the ground that has once been traversed.

With regard to the salaries of the higher officers of the department I beg to differ from the opinion expressed by the member. After all, whether the salaries offered to certain officers of the Education Department are excessive or not depends upon the relation of these salaries to those given to other officers in other departments. And from that point of view and considering the qualifications and the work done by the higher officers of the Education Department, it cannot be said that the salaries are excessive.

Then there was another subject to which reference was made, namely, to the desirability of amalgamating the English and the Vernacular Middle Schools.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*) : May I know whether the salary of Rs. 900 for a Professor of a college is proportionate to the salary of Rs. 14 for a Vernacular school teacher?

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*) : The Professor does not get Rs. 900. The Professors get salaries varying from Rs. 300 to Rs. 700.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*) : May I know whether the salary of Rs. 700 for a Professor of a college is proportionate to the pay of a Vernacular school teacher?

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MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*): The Professor only gets a salary in the scale of Rs. 300 to Rs. 700.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*): I may ask the question whether the maximum salary of a Professor of a college is proportionate to the pay of Rs.14 given to the Vernacular school teacher.

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*): It is generally admitted that the salaries paid to Vernacular school teachers are not adequate and it is for that reason that Government have appointed a committee to consider the means for revising their salaries.

MR K. I. JOSEPH (*Minachil* cum *Devicolam*): May I ask the Director of Public Instruction whether the salary of a Professor of a college is proportionate to that paid to a graduate teacher getting Rs. 50?

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*): Certainly it is.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*): What are the special qualifications of these Professors which will justify such a high salary being given to them?

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*): The special qualifications of a Professor depend upon his academic qualifications. It is only men of very high academic qualifications that are appointed as Professors. They have to attend to the responsible work of teaching the B. A. and the B. A. Honours classes and for doing such work, such salaries should be paid. Otherwise you would not get efficient men. Moreover, we have to compare the salaries paid to the Professors here with the salaries obtaining elsewhere. Look at the salaries offered to these officers in Mysore and Madras and see how they compare with the salaries offered to them here. I do not think the salaries here will in that case be found to be excessive.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*): I am asking whether the salary of these Professors is proportionate to the salary of the ordinary graduate teachers?

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*): Certainly it is. In Madras and elsewhere, graduate teachers are not paid more than they are paid here.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*): What are the special qualifications of these Professors? Are they in any way different from those of the ordinary graduates and M. A.s?

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*): They are.

MR. V. SUBBA AIYAR (*Nominated*) (*Deputy President*): May I know whether some clerks in the High Court have not the same educational qualification as the High Court Judges?

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*): Yes. Salary depends not only upon the nature of their qualifications, but also upon the nature of their work. Yes, some of them have the same qualifications as the Judges of the High Court. Some of the

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clerks are B A., B. L.'s and the Judges also are B. A.; B. L.'s. As I said, the salary depends upon the qualifications and also upon the nature of the work that they have to do.

Another matter that was referred to was the desirability of amalgamating the English and the Vernacular Middle Schools. I see that a notice of motion has been given on that subject. Moreover, I have not had time to look up certain papers relating to that subject. I am told that Mr. Hodgson has dealt with it in detail. So I will reserve my remarks on the subject till the reduction motion comes up for discussion.

Messrs. Paul Daniel and C. P. Thomas referred to the question of fee concessions and complained that while the G. O. on fee concessions gives the managers of private schools liberty to introduce the scheme in their schools or not as they choose, in practice, if they did not grant the concessions, their pupils will migrate to other schools in the neighbourhood, departmental or private, which do grant them, and they are thus forced to grant the concessions themselves. While the effect of the G. O. is thus practically to compel them to grant these concessions, the Government give them only a grant of three-fourths of the loss sustained by them on that account. I must admit that they have some justification for that complaint. The Government have now called for a report on the working of the fee concession scheme and it should have been submitted to them some time ago. But owing to the fact that I took up the post of Director only some four months ago and have had to attend to a great many other urgent matters, I have not yet had time to attend to the matter. But I shall bear this complaint in mind at the time when I submit my report to the Government.

Mr. C. P. Thomas complained that grants in aid of buildings and equipment are given only to recognised schools and that very often, in order that a school may become a High School, the manager has to spend Rs. 10,000 on buildings and Rs. 5,000 on equipment and it is only after that, that recognition is granted to the school. So in fact it comes to this—that the school will get grants-in-aid only in respect of any extension of buildings or any additional equipment that may be provided by the manager after the school is recognised. I believe there must be something wrong in this. I do not think that facts can be exactly as Mr. Thomas has represented them to be. What generally happens is that permission to open a school or to open a higher class in a school is granted on certain conditions. If these conditions are fulfilled, the school itself or the higher class that is opened after obtaining the permission is recognised. One of the conditions is the construction of a building. With regard to the construction of a building, the manager has to send up plans and estimates. These plans and estimates are scrutinised either by the departmental overseer or if the cost of the building is greater than a certain amount, they are sent to the Public Works Department and are scrutinised and returned by them with their approval. It is open in such cases for the manager to apply for grant. No doubt, he would not get the grant until after the school or class is recognised. All that the rule of the Code relating to the subject says

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is that "grants under Rule 146 (*d*) and (*e*) (that is, building grants and equipment grants) can be sanctioned only for work considered by the sanctioning authority to be necessary, the plans and estimates for which have been approved before it has been commenced, which is completed to the satisfaction of and whose cost is certified to by the officers of the Public Works Department." So, the conditions precedent to the sanction of the grant are that the authority sanctioning the grant must consider the building or the equipment to be necessary. Secondly, the plans and estimates in the case of the buildings should have been approved by the sanctioning authority before the building was commenced. Lastly, the building must have been completed to the satisfaction of and its cost must be certified to by the Public Works Department. There is nothing here to say that such grants shall be given only to an institution which was recognised before the grant wa applied for. One of the conditions imposed at the time of granting permission to open a school or higher class being that certain buildings should be put up, it is open to the manager to send up plans and estimates and also to apply for grant as soon as they are approved and before commencing the building. After he completes the building and complies with the other conditions imposed, he can get recognition for the school or class and grant for the building constructed by him.

MR. C. P. THOMAS (*Nominated*): I only said that the department has been introducing a new interpretation of the rule and has been applying it in the way I represented.

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*): I am not aware of such cases.

MR. C. P. THOMAS (*Nominated*): I may say that just now there is an appeal made by a manager of a school to the Government.

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*): If there is any such case as that, I promise to look into the matter. All that I have been saying hitherto is that there is nothing in the rules against giving grants under the circumstances mentioned by me.

A suggestion thrown out by Mr. Thomas with regard to the conditions imposed at the time permission is granted to open a school or a higher class was that these conditions should be divided into essential and non-essential and that the conditions should not be the same for educationally backward as they are for educationally forward localities. I do not think it is practicable to divide these conditions into essential and non-essential or to insist upon one set of conditions for an educationally backward locality and another set of conditions for an educationally forward locality. All that the department can reasonably be expected to do is to allow some more time for the manager of a school started in an educationally backward locality than in the case of the manager of a school started in an educationally forward one. As far as my experience during the last four months goes, I find that such extensions of time have been granted in the past and are being granted even now. Beyond that, I do not think it is proper for the department to go.

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Another member, I think it was Mr. T. J. Matthew, referred to the considerable amounts that lapsed in the educational budget of last year, that is of the year 1100. I have the figures of the amounts lapsed and I find that a total sum of about Rs. 1·13 lakhs lapsed in the year 1100. The principal amounts are a sum of Rs. 41,000 under grants-in-aid and another sum of Rs. 21,000 under Provincial staff. With regard to grants-in-aid, I cannot say just at present what the reason for the lapse of such an amount was in the year 1100. But as far as the current year is concerned, it was only some three months ago that I asked the Council for a supplementary grant of Rs. 39,000 on account of grants-in-aid for the current year. That was done at the instance of the present Inspector of Vernacular Schools and from the way in which he pressed upon the Government the necessity for sanctioning that additional amount, I am certain that he would not allow any considerable amount out of the grant that has been sanctioned for the current year to lapse. The other principal amount is a sum of about Rs. 21,000 on account of the Provincial staff. The reason for the lapsing of this amount is the fact that a large number of vacancies exists in the first grade and that these have not been filled up. The Government are insisting, and rightly so, that these vacancies should be filled up only after a regrading of the second grade teachers is done. Similarly, they have been insisting that the headmasterships of several schools which are now vacant—there are as many as 9 headmasterships vacant—should be filled up only after the regrading of the first grade teachers is done. Just now, before the Budget Session began, I sent up proposals regarding the regrading of the first grade teachers.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*): May I know for how long these places were vacant?

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*): I think some of them have been vacant for one year and some for two years. In fact, the last batch of promotions to the first grade was made on 1st Chingam 1097.

MR. K. I. JOSEPH (*Minachil* cum *Devicolam*): Are there any special reasons why these vacancies are not filled up?

MR. R. KRISHNASWAMI AIYAR (*Ag. Director of Public Instruction*): I do not know. But all I can say is that I have sent up proposals regarding the regrading of the first grade teachers and I shall send up my proposals regarding the regrading of the second grade teachers very soon after the Budget Session is over. If that is done, the amount provided under Provincial staff is not likely to lapse. These two between themselves are responsible for Rs. 62,000 out of Rs. 1,13,000 that lapsed in the year 1100. The balance is made up of various small items. Such small variations especially in a department which is responsible for an expenditure of over tens of lakhs of rupees are inevitable and do not require any special explanation.

Mr. Thomas also referred to the question of moral and religious instruction. This is a very large question which I do not want to enter into at this time.

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MR. A. J. VAN ROSS (*Excise Commissioner*): Sir, I have only a few words to say. One or two members referred to the Excise Revenue and said that it was increasing; for example, the budget estimate for 1102 was Rs. 48 lakhs whereas the estimate for 1101 was only Rs. 46 and odd lakhs, and the members seem to think that the increase was under abkari. As a matter of fact, the increase is not under abkari. The excise revenue is composed of tobacco and abkari under which comes also opium and *ganja*.

MR. C. P. TARAKAN (*Kunnatnad*): ഇപ്പോൾ ബഡ്ജറ്റിൽ കാണിച്ചിട്ടുള്ള തുകയും എക്സൈസ് കമ്മീഷണർ കണക്കാക്കിയിട്ടുള്ള തുകയും തമ്മിൽ വല്ല വ്യത്യാസവുമുണ്ടോ?

MR. A. J. VAN ROSS (*Excise Commissioner*): The figures for the next year are not put in and I do not say what exactly would be the figures.

MR. C. P. TARAKAN (*Kunnatnad*): വന്നിട്ടുള്ളിടത്തോളമുള്ള അനുഭവംകൊണ്ട് കൂടുമെന്നോ കുറയുമെന്നോ വിചാരിക്കാൻ ന്യായമുള്ളതു് ?

MR. A. J. VAN ROSS (*Excise Commissioner*): There might be some increase. The increase in the budget estimates under 'Excise' is due to the increase under tobacco and the rebate of duty on opium. There is no increase under abkari. The expected revenue from abkari is Rs. 23 lakhs, which is the same as the budget estimate for 1101. Mr. A. K. Pillai, I think, —if I have heard him correctly—stated that I have been going round and encouraging people to drink by demanding high rentals for shops. I would like to tell him that it is exactly what I did not do. On the other hand, I had very frequently to restraineager bidders from blindly making excessively high offers. There was a regular scramble for shops at the auction and I had to be very careful to be on the alert to keep down reckless bidding. Here and there, I observed a combination or clique formed with the deliberate intention of keeping down the rentals. On such occasions I of course insisted on getting reasonable rentals. But there have been very few instances of that kind. In the majority of cases, I had to prevent people from bidding at unreasonably high rentals.

MR. A. K. PILLAI (*Karunagapalli*): May I know why the scramble was there for this auction?

MR. A. J. VAN ROSS (*Excise Commissioner*): That is a very sad commentary on the alleged general desire on the part of the people to abstain from drink. The members of the Council here seem to think that the people do not want to drink, but on the other hand I find there is a very strong demand for it.

MR. A. K. PILLAI (*Karunagapalli*): May I know whether, if there was sufficient vigilence in seeing that the traffic in liquor was within the restrictions of the law, there would then be so much scramble and so much gain?

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MR. A. J. VAN ROSS (*Excise Commissioner*): Yes. I would like to say that from Quilon southwards up to Nagercoil the Independent Shop System has been fairly well established; in the Trivandrum Town, for instance, you would find that there is hardly a single case of illicit tapping or illicit sale, yet the demand for shops was as keen here as elsewhere where the Independent Shop System may be said to be only in its infancy. As a result of the absence of illicit sales, in Trivandrum, the price of toddy is 6 to 7 chuckrams per bottle whereas in the north it is only about 3 chuckrams. When illicit trade is stopped, the shop keepers are able to raise their prices. When there is illicit trade, the shop keepers are unable to do so. The preventive force at my disposal is not adequate. In a big taluk like Changanachery, I have got only 10 or 12 men to prevent illicit trade. In the Kottayam taluk, there are only about 15 men. Now this force will not suffice in a large taluk to put down malpractices. We are trying our best to stop illicit trade and a good deal has been done in this direction. The policy of the department is to make it increasingly difficult for the consumer to get his drink. The reduction in the number of shops, the raising of the liquor duties and other restrictive measures that the department enforces are telling upon consumption. The one fact that during the last ten years we have brought down the consumption of arrack from 1,60,000 gallons to 1,10,000 gallons proves the success of our policy. There may be slight variations from year to year but to ascertain the full effect of a policy, the results over a fairly long period have to be observed. Taking the past ten years it will be seen that the quantity of arrack consumed has gone down by 50,000 gallons or three lakhs of bottles, whereas the revenue from arrack has been maintained. Mr. T. J. Matthew observed that this is a pernicious revenue. My idea is that it is a revenue exceptionally free from reproach since it is a tax on drink. It is only a tax the drinker has to pay and not others. We do not ask the people to drink, but tell them "if you drink, pay the Government for the drink".

MR. A. K. PILLAI (*Karunagapalli*): Are not shops allowed to be located in places where labouring classes frequent most and also attractions placed to call them into the shop?

MR. A. J. VAN ROSS (*Excise Commissioner*): We do not hold out to them any attractions, but we locate the shops in places where there is demand for drink.

MR. A. K. PILLAI (*Karunagapalli*): May I take this opportunity in ascertaining from the Excise Commissioner what he has done towards the progressive realisation of the policy of complete prohibition of drink in the State?

MR. A. J. VAN ROSS (*Excise Commissioner*): Certainly, I claim my department to be a true temperance organisation and every action of ours is directed towards temperance. In ten years time, I have, as already stated, brought down the consumption of arrack by 50,000 gallons, and this is a striking proof of the success of our effort on behalf of temperance. We have reduced the number of shops by 5 per cent. for the recent auction at a loss of about Rs. 25,000 to Rs. 30,000, that is, the liquor duty has been raised and the rate of tree tax increased.

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MR. A. K. PILLAI (*Karunagapalli*) : May I know whether the increase in revenue is not a sign of increase in consumption?

MR. A. J. VAN ROSS (*Excise Commissioner*) : The increase in revenue is not at all a sign of increase in consumption. By raising the prices of liquor, we are reducing the drink habit. I beg respectfully to tell the member that he is under a wrong impression. Increase in revenue simply indicates increase in liquor duties. The tree tax and the duty on arrack have been steadily increased from time to time. In Changanachery and Minachil, some effort was made to prevent me from selling the shops at reasonable rentals by the so—called temperance workers. These gentlemen, I am afraid, have unwillingly helped the drinkers to get cheap liquor. The result of their interference has been that, in Changanachery and Minachil, the shops had to be sold at rentals which are very much lower than the real value of the shops. My policy is to raise the rentals commensurate with the real value of the shop. The higher the rental, the greater is the impediment to drink. The rentals as well as the liquor duties would be put upon the liquor and the liquor would have to be sold at a high rate. I was working in the true cause of temperance in trying to get reasonable rentals. The shop-keeper will not lose. He would charge higher, and the higher the rate at which he sells, the less would a man drink. The effect of this policy is seen in Trivandrum, where, as I have said a bottle of toddy is sold at 6 to 7 chackrams.

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*) : May I know what has become of the Excise Committee's Report?

MR. A. J. VAN ROSS (*Excise Commissioner*) : The Excise Committee's Report has been submitted to the Government and very soon we will be getting orders.

MR. G. PARAMESVARAN PILLAI (*Neyyattinkara*) : May I know how long is it since the report was submitted?

MR. A. J. VAN ROSS (*Excise Commissioner*) : Over five or six months.

PRESIDENT : I think in many matters the Excise Commissioner is acting in accordance with the Excise Committee's Report.

MR. A. J. VAN ROSS (*Excise Commissioner*) : In the matter of reducing the number of shops, increasing the liquor duties and reducing the number of foreign liquor shops, in the location of shops, etc., I am giving effect to the committee's recommendations. Only in one or two matters regarding which there was no unanimous agreement, the report has not been acted up to.

PRESIDENT : The House will now adjourn and meet at half past eleven on Monday morning.

The Council adjourned at 4-55 P. M.

T. P. RAMASUBBA AIYAR,
Secretary to the Legislative Council.

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